

# The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, NOVEMBER 26, 1926

## THE DEMAND for INSURANCE

Intelligent men are no longer oblivious to the need for life insurance. They recognize its value. They expect to look into the matter when they have leisure, or when they have paid their debts, or when they have saved a little money. Or they do not know how to go about getting insurance, or defer action because they do not know precisely what kind will provide best for their particular needs. But when an agent comes to such men they will be in a receptive mood, and argument and persuasion will be superfluous. It is not necessary to urge a hungry man to eat, or a thirsty man to drink. But if the agent offers for family protection a policy payable in one sum simply because that is his habit, and because he thinks it is easier than to advocate something that is new, he and not his clients will be to blame if misfit policies are applied for.

Every competent business man is careful to distinguish between principal and income. And if he spends any of his principal as if it were income he will feel that he has committed a crime and will be uneasy until the crime has been atoned for. But a woman, whose experience has been limited to the spending of income, is in danger of regarding a round sum paid by the insurance company as income to be spent, and not capital to be invested.

It is probable that more money is lost through the honest but misguided advice of relatives and friends than in consequence of fraud. And most wives are ready to lend their money to their husbands, or risk it in the business ventures of brothers, sons or neighbors.

These are some of the reasons why husbands and fathers should be advised to have their insurance paid in the form of an income and not in a single sum.

THE EQUITABLE LIFE ASSURANCE  
SOCIETY OF THE UNITED STATES



## CONFIDENCE

**O** Peter Barthelemy, there came a dream . . . a dream sent as if by destiny to alter the course of history and confound the plans of the mighty. Antioch had fallen in 1098, but no sooner had the Crusaders occupied the city than they were surrounded by vastly superior forces. Then pestilence ravaged and hunger weakened.

And Barthelemy had his dream. In the Church of St. Peter, the Holy Lance lay buried! If carried in their foremost ranks, the Crusaders could not be beaten!

A day of feverish digging. A cry . . . the lance was found! Then the remnants of the great army rode out fearlessly to meet overwhelming odds. Courage conquered and confidence prevailed! To those who know and understand, there is a similar significance in the achievements of Phoenix Mutual men . . . achievements indicated by the fact that the Company's *entire selling force* will produce in 1926, an average of better than \$170,000 of new business per man.

These men, like the Crusaders of old, have high ideals of service—but that is not all. They are better trained and more fully equipped—but again, that is not all.

Their success is another triumph of confidence—confidence in themselves that is fostered by a Home Office which aspires to be not merely an employer but a *builder of men!*

*A complete set of the Crusader series will be furnished to any reader upon request. Simply address the Advertising Dept., Phoenix Mutual Life Insurance Company, Hartford, Conn.*

## PHOENIX MUTUAL LIFE INSURANCE COMPANY

HOME OFFICE



HARTFORD, CONN.

*First policy issued 1851*

# The National Underwriter

## LIFE INSURANCE EDITION

Thirtieth Year, No. 48

CHICAGO, CINCINNATI, AND NEW YORK, FRIDAY, NOVEMBER 26, 1926

\$3.00 Per Year, 15 Cents a Copy

### LIFE INSURANCE TRUST IS HEARTILY INDORSED

Speakers Before Research Bureau  
Tell of Its Aid to the  
Business

### PICTURE BRIGHT FUTURE

See It as Greatest Development Force  
Discovered for All Forms  
of Business

The life insurance trust was pictured as one of the greatest developments in life insurance and a new sales feature opening a tremendous field for both life companies and trust companies in dis-



DR. JOHN A. STEVENSON  
Vice-President Equitable of New York

cussions before the Life Insurance Sales Research Bureau at its annual meeting in Chicago last week. Representatives of both institutions presented their views, and while there were a number of suggestions for improvement in the cooperation between the two institutions, there was unstinted approval of the plan of itself and general agreement that it is opening a new and practically untouched field.

#### Dr. Stevenson Spoke

Dr. John A. Stevenson, vice-president of the Equitable Life of New York, spoke particularly of the cooperation between trust companies and life insurance companies, saying that this can profitably be developed to the advantage of both. Dr. Stevenson said that the life insurance companies owe a debt of gratitude to the trust companies for the development of this new phase of the business and particularly for making the life insurance companies realize the value of the optional forms of settlement. He said if it had not been for the trust companies, it is likely that the life insurance

### MAIL PLAN WAS TRIED

#### EXPERIMENT NOT A SUCCESS

Cleveland Life Underwriters Association  
Made Complaint to the Ohio State  
Insurance Department

CLEVELAND, Nov. 24.—Not so very long ago, a certain life insurance company having its home office in a neighboring state, but not licensed to do business in this state, sent out a letter to a great many Cleveland residents, soliciting applications for insurance, and offering reduction in first and second year premiums to those making application.

This letter was exceedingly uncomplimentary to the life underwriter and there was considerable room for doubt as to the legality of their plans.

#### Company Wrote to Conn

Naturally, the Cleveland Life Underwriters Association protested this practice to the Ohio superintendent of insurance, Harry L. Conn. Judge Conn took immediate steps to have the practice discontinued. How well he succeeded is indicated by the following excerpt from a letter written by the insurance company to Judge Conn:

"It probably will relieve you to learn, however, that this offer of a special contract for the citizens of Ohio has been withdrawn by this company and is, therefore, at this time of academic interest only. In may also tell you that this mail order proposition was strictly an experiment with us, designed purely for the purpose of testing public sentiment, with the purpose of determining whether or not the time had arrived when the services of agents could be dispensed with.

#### Experiment Was a Failure

"It may also interest you to know that this experiment was an absolute failure, and that we did not receive one single application as a result of our campaign. While we still feel that we were well within our legal rights in making this offer in exactly the manner in which we did make it, still we are satisfied that such a plan of operation is foredoomed to failure and you may be sure that as a matter of common sense, the experiment will not be repeated, at least in so far as the state of Ohio is concerned."

Companies would not yet be using the optional settlement to any marked extent. He said that for a complete cooperation of the two institutions there should be caution on both sides as to overstepping the boundary of acceptable methods of operation. He questioned the advertising of some trust companies which constantly flaunt before the public an appeal that most life insurance money is wasted. He said that whether such a condition is true or not, it is not essential that this be flaunted before the public by another business institution which should be operating in close harmony and cooperation.

#### Cooperation Urged

Dr. Stevenson believes that a positive appeal is possible and should be used by every trust company as well as by the

### REHEARING IS GRANTED

#### PHOTOGRAPHIC COPY IS ISSUE

Brief of American Life Convention  
Wins Reopening of Case in Ne-  
braska Supreme Court

LINCOLN, NEB., Nov. 26.—The American Life Convention has succeeded in winning from the supreme court what is virtually a rehearing of the case against the Bankers Reserve Life of Omaha brought by Millie M. Kelley, which involved the availability as a defense of the statements contained in a photographic copy of the application attached to the policy. The case was heard the first time before the court commission, specially created for a limited period to assist the supreme court in catching up with its docket, but formally approved by the court judges. This time the supreme court itself will hear the arguments.

#### Involved Questions on Appendicitis

Kelley had told the examining physician that he had never suffered from appendicitis, when in fact he had had several attacks, and it was this disease that caused his death not long after the policy was issued. The company pointed to the photographic copy of these questions and answers attached to the application. It said that this was furnished Kelley so that he might check up on what was there set down, and if he did not challenge their accuracy this would make it available as a defense on the ground of misrepresentation. It was denied this benefit, the court holding that such copies as these are generally illegible and in this case required such an exercise of visual powers as to make it worthless. Hence, Kelley never having been advised what the examining physician had set down, he could not have been held to have thereby made any warranties.

#### Intervening Brief Won Rehearing

The point involved was deemed to be of such importance, since the decision made valueless the attachment of photographic copies of applications to policies, that the American Life Convention intervened, and a vigorous brief pointing out the consequences of the decision won for it a reargument of the entire case. It was pointed out that this is the best and most authentic method of notifying a policyholder of what statements he made when he signed the application, and that in fact these are not so illegible as to bar their use as evidence.

insurance companies themselves. He pointed out that as a matter of fact the companies are to blame for that condition themselves, but that they are now endeavoring to improve the situation and develop a settlement business that will meet every need of the policyholder. Dr. Stevenson emphasized the fact that there is a field for both the trust company and the life insurance company. There should be no fights. He objected to the statement frequently used that "life insurance creates the estate, let the trust company conserve it." He said

(CONTINUED ON PAGE 28)

### COMMISSIONERS HELD PEACEFUL CONVENTION

Only Heated Controversy Was  
Over Surety Acquisition  
Cost Control

### CONN AGAIN PRESIDENT

Summer Meeting Will Be Held in Ohio  
Some Time in August or  
September

LOS ANGELES, Nov. 23.—With the election of officers for the ensuing year, the annual session of the National Convention of Insurance Commissioners ended in Los Angeles last Friday. Judge



A. S. CALDWELL  
First Vice-President Commissioners  
Convention

Harry L. Conn, of Columbus, and commissioner from Ohio, was unanimously reelected president of the convention. Other officers elected are: A. S. Caldwell, Tennessee, first vice-president (which puts him in line for the presidency next year); Charles R. Detrick, California, second vice-president; Col. Joseph Button, Virginia, reelected secretary-treasurer. The members of the executive committee are: Frank N. Julian, Alabama, chairman; Ben C. Hyde, Missouri; Howard P. Dunham, Connecticut; James A. Beha, New York; Jesse G. Read, Oklahoma; S. A. Ollisness, North Dakota; and John E. Sullivan, New Hampshire.

#### Will Meet in Ohio

Following the election of officers an executive session was held at which motion was adopted providing for the holding of the summer convention meeting in August or September, but preferably the first part of September, in Ohio, the selection of city to be made later.

(CONTINUED ON PAGE 10)

## NEED CARE ON AGENTS

## IS BIG INDUSTRIAL PROBLEM

Stacey W. Wade, North Carolina Commissioner, Gives Companies Some Good Advice at Jacksonville Meeting

Speaking before the annual convention of the Industrial Insurers Conference in Jacksonville, Fla., last week, Stacey W. Wade, insurance commissioner of North Carolina, emphasized particularly the development of a spirit of cooperation among the industrial companies, replacing the bitter competition of former years, and the necessity for care in the selection of industrial agents. In taking up the agency angle he said:

## Check Kept on Agents

"I would list as a real accomplishment in our state the weeding out of



STACEY W. WADE  
North Carolina Commissioner

undesirable industrial agents. We have found in our department that most of the trouble in the industrial field came from the employment of bad agents. Five years ago we adopted a system by which we keep a check on the agent who had been in trouble. When he switches to another company he is required to file a sworn affidavit, setting forth that he is not indebted to the company he is leaving, and the general agent employing him is required to attest to his good character and his knowledge of the insurance business, ethics of the profession, and general fitness for the work. If any agent quits a company leaving accounts unpaid or with a bad record, the company is required to report this to the department and the agent's card is tagged. If he ever comes back into the insurance business again that old trouble arises to confront him and it must be cleared up. He cannot get back into the insurance business until it is cleared up.

## "Tramp Agent" Causes Trouble

"Nearly all of the trouble that has come to the notice of my department the past two years came from the tramp agent, who switches from company to company upon the slightest provocation. Practically every time the tramp makes a change he will carry away with him some of the 'change' of a hopeful and aspiring district manager, who had been induced to take a chance on him.

"My advice is to avoid, as you would the devil, the tramp agent. Drill it into the minds of your district managers and superintendents that you do not want the agent of any other company on earth. The high schools and colleges are turning out thousands of fine young men every year who are the finest insurance agent material on earth. Go for this class and train your own and when you have trained them, hold them.

## WOULD EXTEND SCOPE

## INCLUDE CASUALTY CARRIERS

Group Association Considers Proposal to Offer Membership to Companies Writing Accident and Health

NEW YORK, Nov. 24.—At a meeting here last week of the member companies of the recently formed Group Association, a proposal to broaden the organization to include casualty companies writing group health and accident insurance was brought forward and discussed. The meeting appointed a committee headed by Secretary Walter King of the Connecticut General to consider the matter and draw up a constitutional amendment to that effect. The report of the committee will be made at the next meeting some time in December. The members at last week's meeting unanimously and formally paid their compliments to Superintendent Beha for his cooperation with the association in improving underwriting conditions in the group field.

## All Leading Companies Members

Secretary E. E. Cammack, vice-president of the Aetna Life, announced that the Minnesota Mutual, London Life of Canada and Pan American Life of New Orleans have been admitted to membership, making the association representative of all leading companies which have more than 98 percent of all group insurance in force. The astonishing growth in group production during the year was pointed out by Vice-President William J. Graham of the Equitable, chairman of the association, who reported that the member companies are paying \$1,000,000 a week in claims. Half of this amount, he said, is being paid on the lives of persons who have no other insurance protection, the average claim being close to \$1,300.

You can do this by giving them fair treatment and boosting them as they deserve it.

## Once a Crook, Always a Crook

"It is never wise to employ an agent who has been found guilty of deliberate crookedness, no matter how pentitent he is and no matter what sort of reference and recommendations he is able to furnish. In insurance, I have found that 'once a crook, always a crook,' is true. There may be fields in which the erring one may do good work, but it is not in the insurance business, and the quicker you get him out the better for the business.

## Put Agent in New Field

"There come times, of course, when it is good business to hire the agent of another company and it may be done with satisfaction all round. All of you understand how a condition like this might arise. When it does, my advice to you is to place that agent in new territory. Under no circumstances put him back in the territory where he has been working a debit for a competitor. By so doing you place him in an embarrassing position and one that is likely to result in trouble.

"Your future, and the future of industrial insurance, depends upon the agent that you place in the field as the representative of your company. To the public, the agent is the company, and you stand or fall with him."

## Kansas City Managers' Club

At the meeting of the General Agents' and Managers' Club of Kansas City Monday night, "Acquisition of Agents" was the subject of a round table discussion, led by S. B. Hopkins, superintendent of agencies for the Kansas City office of the Mutual Life, and A. M. Embry, manager of the Equitable Life of New York.

## WILL EXTEND LIMITS

## BEHA TO PERMIT EXPANSION

Gives Rules to Which Companies Must Comply to Go Beyond Statutory Amount

Superintendent James A. Beha of the New York insurance department has announced to the life insurance companies under the jurisdiction of his department that he will consider application for the suspension of limitations on acquisition as established by the New York law. The companies which are limited to a certain amount of business by the provisions of the insurance laws of New York will be permitted to extend this limit and add to their business for the year, provided they meet certain qualifications established by Mr. Beha. In his announcement to the companies the superintendent points out that the showing for the first eight months of the year indicates that companies writing at least 50 percent of the life insurance will, in the normal course of business, reach the statutory limits. Thus he feels that under certain conditions, it will be justifiable to extend the limit and permit the companies to accept business beyond the legal limit.

## Gives Qualifications

In his list of qualifications, Mr. Beha states that the companies must keep within the expense limitation, they must not have any arrangement for the payment of office or any other agency expenses which are made contingent upon the production of specified amounts of new business and they must not have any arrangement whereby payment of renewal commissions in excess of the maximum permitted under the New York law is granted. In addition, a list of definite prohibitions is established by Mr. Beha regarding the methods of securing this additional business. He states that the companies must agree not to turn that business in violation of these 12 provisions which are as follows:

## Twelve Prohibitions

(a) That no additional allowances or increased rate of compensation will be granted to agents, supervisors, medical examiners or others connected with securing new business without the approval of the Superintendent of Insurance;

(b) That no contests will be held between agents or districts for the purpose of procuring new business other than the regular well-established contests of the company;

(c) That there will be no special drive for new business either by circularization or otherwise;

(d) That the business of the company will be conducted as economically in the future as it has been in the past and that every effort will be put forth by it for further economics;

(e) That no effort will be made to secure new agents, except to replace agents whose contracts have terminated, and only such additional agents will be employed as are not under contracts with other companies and voluntarily make applications for agency contracts;

(f) That the company will not pay or give, or allow to be paid or given to any soliciting agent a salary, advance, or drawing account, where such agent has been in the insurance business for more than one year;

## Must Not Force Business

(g) That it is entirely clear from the company's records that the compensation of any salaried employee has no relation whatever to the amount of business which he produces (this does not apply to industrial business);

(h) That the company will not employ any soliciting agent at a salary where such agent has been in the employ of any other company (this does not apply to industrial agents);

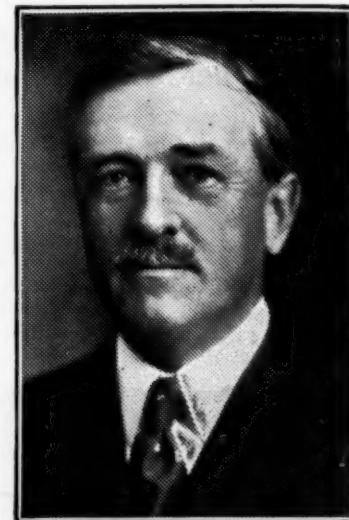
(i) That the allowances for office or

## RECEPTION COMMITTEE

## CROCKER IS THE CHAIRMAN

Officials Who Will Do the Handshaking at the Life Presidents' Association Convention

Walton L. Crocker, president of the John Hancock Mutual Life, heads the reception committee for the 20th convention of the Association of Life Insurance Presidents to be held at the Hotel Astor in New York Dec. 9-10. Herbert C. Cox of the Canada Life is vice-chairman. The other members of the committee are O. J. Arnold, Northwestern National Life; M. B. Brainard, Aetna Life; William BroSmith, Travelers; George I. Cochran, Pacific Mutual;



WALTON L. CROCKER  
President, John Hancock Mutual

W. A. Day, Equitable of New York; E. D. Duffield, Prudential; Haley Fiske, Metropolitan; John R. Hardin, Mutual Benefit; E. J. Heppenheimer, Colonial Life; A. L. Key, Volunteer State; D. P. Kingsley, New York Life; W. A. Law, Penn Mutual; James Lee Loomis, Connecticut Mutual; E. I. Low, Home Life of New York; T. B. Macaulay, Sun Life; W. W. McClench, Massachusetts Mutual; H. M. Merriam, Franklin Life; Henry Mohr, United States Life; J. J. Mooney, Michigan Mutual; G. S. Nollen, Bankers Life of Iowa; R. L. Rutter, Western Union Life; H. L. Seay, Southern Life; R. W. Stevens, Illinois Life; H. S. Wilson, Bankers Life of Nebraska; B. H. Wright, State Mutual.

other agency expenses are covered in detail by vouchers that can be readily verified;

(j) That no soliciting agent receives any compensation directly or indirectly for looking after business which has been on the books of the company more than fifteen years, except where such agent actually collects the premiums;

(k) That the company does not knowingly carry deposits in any bank which finances a general agent in commutating renewals and thus securing what is known as brokerage business; that, in other words, the company does not either directly or indirectly finance general agents in procuring brokerage business on assignment renewals;

(l) That the officers of the company will in good faith use every endeavor to carry out the spirit of the agreement so that the normal and economical conduct of the company's business without special effort may be continued during the balance of the year.

EDWARD W. BOERN, Union Central Life agent in Cincinnati, was elected second vice-commander of the Cincinnati post of the American Legion.

## PROGRAM IS ISSUED BY LIFE PRESIDENTS

Monk Is Added to Long List of Notable Speakers for Convention

## IS HISTORIC ATMOSPHERE

Twentieth Anniversary Marked by Citation of Founders and Early Leaders of the Organization

NEW YORK, Nov. 23.—Historic atmosphere is reflected by the final program of the 20th anniversary convention of the Association of Life Insurance Presidents, now being mailed to members and guests. The convention is to be held at the Hotel Astor in New York, on Thursday and Friday, Dec. 9-10. The complete program, with some slight revisions, has been announced, showing a comprehensive consideration of many subjects closely allied with life insurance.

### Review of Past History

On the front cover page of the program, under the caption of "Association Pioneers," appear half-tone reproductions of the following:

Paul Morton, who, while president of the Equitable Life of New York, proposed the organization of the association in 1906. Before entering the field of life insurance Mr. Morton had been a prominent railroad executive and also was Secretary of the Navy in President Roosevelt's Cabinet.

Grover Cleveland, twice president of the United States, and the first chairman and counsel of the association in 1907-1908.

Robert Lynn Cox, New York state legislator, who was attorney and secretary of the association, 1907-1908; and general counsel and manager, 1908-1916, when he resigned to accept a vice-presidency of the Metropolitan Life.

### Quote the Pioneers

On the back cover page of the program appear the following sayings of the pioneers:

Grover Cleveland: American life insurance will live to bless our people as long as American civilization lasts, and will endure and grow as long as civilized man, while living, takes forethought of the event of death.

Paul Morton: I believe that out of such an association there is sure to come, with time and patience, a much more enlightened state of affairs in American life insurance, and that in many ways we can accomplish things that will promote the interests of our policyholders and place the business on a higher plane than it is today.

Robert Lynn Cox: "Betterment of Life Insurance Service" expresses the true motive of the association and the purposes it is here to further. Firstly, lastly, and always, cooperation is essential in the achievement of that which is needed for the common good.

### Tribute to Original Thirteen

The program pays tribute to the "Original Thirteen" companies founding the organization, naming them and also listing those gentlemen serving as their presidents when the association was started. Of these 13 presidents, three survive. This tablet reads as follows:

### The "Original Thirteen"

Companies which founded the association in December, 1906, with names of their respective presidents at that time:

Aetna Life, Hartford, \*Hon. Morgan G. Bulkeley, president.

## VIEW LEGAL PROBLEMS

### LIFE COUNSEL HOLD MEETING

Annual Conference of the Association Is Scheduled for Dec. 7-8 in New York City

NEW YORK, Nov. 23.—The Association of Life Insurance Counsel has called its regular annual meeting here at Hotel Astor Dec. 7-8. Three sessions in all are scheduled, the first on the afternoon of Dec. 7 and remaining two the following day. A luncheon will be served for members. As the most important matter on the agenda, considerable discussion will be devoted to the resolution adopted at the spring meeting, which reads in effect that members in charge of matters involving controversies with or claims against any company represented in the association should give notice to such company and make every effort to come to an understanding with that company before presenting any claims or questions to either courts or departments.

### Have Interesting Papers

The following papers will be read at the meeting: "Insurable Interest," R. R. Baird, Lincoln National Life; "The Judge, the Lawyer and the Insurance Case," Charles E. Cox, American Central Life; "The Federal Interpleader Act Down to Date," Joseph S. Conwell, Penn Mutual; "Texas Laws Affecting Investments of Life Insurance Companies," Frank W. Wozencraft, American Life Reinsurance of Dallas; "The Effect of Failure to Furnish Proof of Permanent and Total Disability Before Default in Premium Payments," Albert H. Yost, Phoenix-Mutual.

Equitable Life of New York, \*Hon. Paul Morton, president.  
Fidelity Mutual Life, Philadelphia, \*L. G. Fouse, president.  
†Germania Life, New York, \*Cornelius Doremus, president.  
Home Life, New York, \*George E. Ide, president.  
Metropolitan Life, \*John R. Hege- man, president.  
Mutual Life of New York, Charles A. Peabody, president.  
New York Life, Darwin P. Kingsley, president.  
Prudential, \*Hon. John F. Dryden, president.  
Security Mutual Life, Binghamton, \*Charles M. Turner, president.  
Travelers, \*Sylvester C. Dunham, president.  
Union Central Life, \*Jesse R. Clark, president.  
United States Life, New York, Dr. John P. Munn, president.

\*Deceased. †Now the Guardian Life. These 13 founder companies were domiciled in a group of five contiguous states, Connecticut, New York, New Jersey, Pennsylvania and Ohio. The present 61 member companies of the association are domiciled in 20 states and two Canadian provinces. The geographical distribution of their home offices ranges from Maine to California, from Washington to North Carolina, and from Ontario, Canada, to Texas.

### Monk Will Speak

A notable addition has been made to the list of speakers for the convention as previously announced. Wesley E. Monk, Massachusetts insurance commissioner, will speak on "Cooperation in State Insurance Supervision," at the morning session on the first day of the convention.

The morning sessions of the convention are scheduled to begin at 10 o'clock and the afternoon sessions at 2:30 o'clock. Table d'hote luncheons will be served each day in a dining-room adjoining the convention hall. The luncheons will be most informal. Mem-

## THRIFT CAMPAIGN PLAN

### FISKE TO HEAD COMMITTEE

Prominent Life Company Executives to Take Active Part in Drive Set for January

A decided impetus was given to the nation-wide thrift campaign for January when Haley Fiske, president of the Metropolitan Life, accepted the suggestion of the National Thift Committee of the Y. M. C. A. to act as chairman of its insurance division, composed of company presidents. This division is one of seven, representing all branches of industry interested in the furtherance of thrift.

Mr. Fiske in appointing his committee has received acceptances from the following executives: W. A. Law, Penn Mutual Life; A. A. Welch, Phoenix Mutual Life; Louis F. Butler, Travelers; C. A. Peabody, Mutual Life; J. R. Hardin, Mutual Benefit; M. B. Brainard, Aetna Life; Edward D. Duffield, Prudential.

### Program of Activities Presented

So that this committee of company presidents could get a general idea of the work that has been done so far by the life underwriters, the joint thrift commission of the National Association of Life Underwriters and the Y. M. C. A. met at luncheon a few days ago with James E. Kavanagh, second vice-president of the Metropolitan Life, who represented Mr. Fiske.

Graham C. Wells, chairman of the joint commission, presented the following program of activities to Mr. Kavanagh: (1) Immediate action on the part of life underwriters associations in getting in touch with Y. M. C. A. secretaries in their communities to work together in making National Thrift week a success; (2) distribution country-wide of a three-color thrift poster, which strikingly represents the contrast between the man who lays up life insurance for a rainy day and the one who neglects to provide; (3) distribution of a four-page folder giving excerpts from Herbert Adams Gibbons' "Life of John Wanamaker" showing the high regard the great merchant had for life insurance; (4) a thrift essay contest to be participated in by life insurance agents. There will be a first prize of \$50 for the best essay; second prize of \$25 and ten honorary mention prizes of fountain pens.

One of the suggestions was that the committee of life insurance presidents act as honorary judges in the essay contest. This will be recommended by Mr. Kavanagh.

bers and guests will choose their own seats around small tables. There will be no speeches or addresses at the luncheons.

The complete program as now announced is as follows:

### Theme—Making America Thrifty Through Cooperation

#### Thursday, Dec. 9, 10 a. m.

Charles A. Peabody, Honorary Chairman; president, Mutual Life, New York. John D. Sage, chairman; president, Union Central Life.

Address by Charles E. Hughes, New York.

"Insuring Economic Life With Life Insurance Investments"—Frederick H. Ecker, vice-president, Metropolitan Life.

"Cooperation in State Insurance Supervision"—Wesley E. Monk, Massachusetts Insurance Commissioner.

#### Thursday, Dec. 9, 2:30 p. m.

"Signals of Railroad Progress"—Gen. W. W. Atterbury, president, Pennsylvania Railroad.

"A Romance in Cooperation"—Kent Cooper, general manager, Associated Press (with moving pictures.)

"Twenty Years of Actuarial Progress"—E. Rhodes, president, Actuarial So-

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## INDUSTRIAL INSURERS HOLD ANNUAL MEETING

Consider Various Problems of Peculiar Interest to the Business

### OPPOSED TO "TWISTING"

Companies of Jacksonville, Fla., Are Joint Hosts to the Members of the Conference Present

### OFFICERS ELECTED

President, B. L. Tatman, president, Reliable Life & Accident, St. Louis. Vice-President, G. R. Kendall, president, Washington Fidelity National, Chicago.

Secretary-Treasurer, E. T. Burr, attorney, Durham Life, Raleigh, N. C. Executive Committee: J. R. Leni, chairman, Interstate Life & Accident; R. H. Dobbs, Industrial Life & Health; C. E. Clarke, Peninsular Casualty; C. A. Craig, National Life & Accident; P. M. Estes, Life & Casualty; A. B. Langley, Carolina Life; W. R. Lathrop, Southern Life & Health.

#### By E. J. WOHLGEMUTH

JACKSONVILLE, FLA., Nov. 23.—The closing session of the annual convention of the Industrial Insurers' Conference, held at Jacksonville, Fla., last week, was chiefly devoted to a reaffirmation of faith in the organization, enthusiasm being artfully worked up by staging a debate on the question: "Resolved, that the conference has outlived its usefulness and should cease and determine."

#### Had Warm Debate

A. B. Langley, one of the founders, who does not love the conference any more than he does his right arm, made a fiery argument in the affirmative to show that the conference has long since outlived its usefulness. This let loose the forensic forces of the conference on his devoted head in an overwhelming stream, led by C. A. Craig of the National Life & Accident. The oratorical flood was calmed somewhat by P. M. Estes of the Life & Casualty, who showed there are always two sides to every question. The meeting ended in a love feast, in which the members vied with one another in paying tributes to the loyalty, steadfastness, integrity and other good qualities of Mr. Langley.

The officers and members of the executive committee were all reelected.

#### Next Meeting at St. Louis

The convention opened with Vice-president George R. Kendall of the Washington Fidelity National in the chair. President B. L. Tatman of the Reliable of St. Louis being ill and unable to attend, Mr. Tatman was complimented by receiving a wire from the convention advising him that St. Louis had been selected for the next meeting place. Charles E. Clarke of the Peninsular Casualty suggested that such a telegram might help Mr. Tatman get well as it had helped him last year, when he was advised under similar circumstances that the convention would come to Jacksonville.

#### Had Good Attendance

There were about 75 present and a number of members were accompanied by their wives. Three companies of Jacksonville joined in acting as hosts to the conference, the Peninsular Casualty, the Gulf Life & Accident and the Independent Life & Accident. Through the courtesy of these companies golf was provided and a shore dinner and dancing.

Most of the leaders of the southern group were present, among them C. A. Craig of the National Life & Accident; John N. McEachern of Atlanta; P. M. Estes of the Life & Casualty of Nash-

*A wishbone instead of a backbone is not so good.*

*If you're just "wishing" in the insurance business....don't come to us.*

*But if you have a man-sized backbone and want to put it to work where the greatest opportunity offers, drop us a line.*

*Our Square Deal Agency Contract will be of interest if you are living in or thinking of moving to Wisconsin, Minnesota, Iowa, or Ohio.*

**National  
Guardian Life  
Insurance Company**

1 West Main Street  
Madison, Wisconsin

ville; A. B. Langley of the Carolina Life; W. R. Lathrop of the Southern Life & Health; P. L. Hay and P. W. Jones of the Bankers Health & Life of Macon; C. S. Drake of the Empire of Indianapolis; T. O. West of the Kentucky Central and others. Although the insurance commissioners' meeting was being held last week at Los Angeles, Commissioners Lunning of Florida and Wade of North Carolina were present and made addresses, as did ex-Commissioner Fitzhugh McMaster of South Carolina, now assistant manager of the Carolina Life.

#### Program Well Arranged

The plan of meetings in the forenoon and golf in the afternoon with plenty of time between for personal conferences and renewal of acquaintances made the meeting enjoyable and profitable throughout. After the invocation, address of welcome by Mayor Alsop of Jacksonville and the response to the latter by A. B. Langley instead of President Bartholomew of the Continental of Washington, who wired regrets, the convention listened to a number of good addresses.

#### Consider Mounting Expenses

Vice-President Kendall discussed ways and means of reducing claims and expenses, both of which are on the increase. He said it is bad practice to hand out claim blanks with policies and also suggested a plan for the organization of a bonding company to be conducted exclusively for the benefit of conference members in the bonding of their agents. Commissioner J. C. Lunning of Florida spoke of conditions in Florida following the recent storm, and brought the greetings of the governor.

#### Tells Effects of Business

Another address of Wednesday morning that was of value was that of Frank Jennings, general counsel of the Peninsular Casualty, who spoke on "Some Effects of Industrial Insurance." Mr. Jennings is connected with the same company as Charles E. Clarke, who was largely responsible for the conference coming to Jacksonville and for its entertainment, and who, although he has been in poor health for a year or more, has shown the greatest interest in the conference and its success. At the conclusion of the Wednesday morning session the silver-tongued orator of the south, Raymond Daniel, associate editor of the "Insurance Field" at Atlanta, announced the rules of the golf tournament.

#### Recommends Cooperation

As Fitzhugh McMaster, former insurance commissioner of South Carolina and now assistant manager of the Carolina Life, had to leave earlier than expected, his address was shoved forward a day and he spoke Thursday morning. His recommendations to the conference were along the lines of cooperation of the small companies by which some of the same results achieved by the largest companies can be reached. He put first the elimination of the floating, loafing, dishonest agent who deceives policyholders and inflicts bad risks upon the companies. He recommended a common inspection bureau service and reports on bad and speculative risks which would also tone up the agent in the selection of risks, also a common nursing service, or at least the employment in each community of one capable of advising as to and influencing the improvement of the sanitary and hygienic conditions surrounding the policyholders and of the care of prospective mothers and infants.

#### Attacks Dishonest Agent

Mr. McMaster was followed on the program by Stacy W. Wade, commissioner of North Carolina, who fired a broadside at the dishonest and irresponsible industrial agent. He advised the companies to maintain a bureau of information and when an agent from another company is employed to move him into a different territory. He said if he were to construct another com-

mandment for the industrial insurers it would be "Thou shalt not covet thy neighbor's agent."

W. R. Lathrop, chairman of the good of the conference committee, brought in a resolution against twisting and to put teeth into it he moved that the resolution be forwarded to the insurance commissioners meeting in Los Angeles by wire, with the greetings of the conference. Fitzhugh McMaster followed this with a motion that a copy be forwarded to each individual commissioner. The Lathrop resolution is as follows:

#### Resolution Condemns Twisting

"Whereas, 'Twisting' or causing policyholders to become dissatisfied with their present policies and inducing them to lapse policies already in force and apply for others is a practice inimical to the best interests of the public, a distinct loss to the individual policyholder and of no permanent benefit either to the agent or the company indulging in such unethical practice.

"Therefore, be it resolved by the Industrial Insurers Conference in convention assembled, that we deplore such conduct and pledge ourselves to refrain from such practice and use every honorable means within our power to raise the standards of our profession above such petty means of procuring temporary advantages over a competitor."

"Be it further resolved that a copy of this resolution be sent with our greeting to the National Convention of Insurance Commissioners now assembled at Los Angeles, respectfully requesting their endorsement of the principles herein set forth."

A number of people were reported as ill and unable to attend this conference, among them B. W. Chiswell of the Peoples Life of Washington and Scott M. Loftin, general counsel of the Gulf Life who was scheduled to make an address but who was unable to attend.

#### Discuss Statistical Report

Following the report and some discussion of the statistical committee the conference went into executive session on motion of C. A. Craig and presumably discussed some features of the report.

At the meeting of the executive committee in Nashville, Aug. 9, it was brought out that there has been an 8 percent increase in claims in 10 years. While insurance claims are increasing, morbidity and industrial accident claims are decreasing. Greater care in the detection of fraudulent claims and maligning are necessary. Health conditions in the United States are steadily improving and accidents are being reduced and yet the companies are facing this ominous increase in the claim ratio. It has been shown that the claim ratio increase always follows a business depression.

#### Expenses Are Mounting

Combined with the bad condition as to claims the companies are facing an increased expense, or rather the cost of doing business is not decreasing as much as the increase of the business demands. There should, thinks Mr. Leah, chairman of the executive committee, be a reduction in the cost of making collections, and the collection commission should be cut down, while an increase in the times paid for new business should be made. In other words, the agent should not have his income reduced but it should be adjusted so that he would be paid more for new business and less for collecting.

#### Compliments Industrial Companies

J. C. Lunning, commissioner of Florida, spoke of the splendid record of the industrial companies at the time of the recent tornado in Florida. He said that many of the companies dispatched themselves adjusters and set up at once the machinery for the settlement of losses, while one of the leaders of the companies writing industrial insurance promptly declared a moratorium in the payment of premiums in the stricken area, ordering the immediate payment of claims arising from the storm and send-

ing a corps of physicians and nurses as well as medical and surgical supplies for the benefit of the sick and injured. He stated that in 1925, premiums paid to insurance companies in Florida were \$46,500,000, a 50 percent increase over the \$30,000,000 premiums in 1924. Premiums of life insurance companies approximated \$18,000,000 and of casualty and surety companies about \$9,000,000. Premiums on industrial business approximated \$4,000,000. Industrial insurance of life companies, aside from that classified under health and accident in Florida, at the close of 1925 exceeded \$82,000,000.

Mr. Luning said that industrial insurance presents its own peculiar problems because of the multitude of policyholders, whose individual interests are small. He said that because the individual interests are small, the policies are of all the more consequence to the assured and his beneficiaries. He said that in no lines of insurance are service and protection more essential to the assured and integrity on the part of agents and management so indispensable.

#### \* \* \* CONFERENCE SIDELIGHTS

The golf tournament resulted in P. M. Estes of the Life & Casualty winning the conference cup for the lowest handicap score; P. W. Jones of the Bankers Health & Life of Macon was the runner-up and won the trophy for that score; C. A. Craig of the National won the Raymond Daniel cup for third place, and H. B. Gunter, the new vice-president and assistant manager of the Pilot Life, won the cup for the low gross score.

\* \* \*

The banquet Thursday night was an enjoyable affair, presided over by Vice-President Kendall. The features of the entertainment were the marvelous singing by P. W. Jones of the Bankers Health & Life and the dancing team composed by Frank Ritter, superintendent of the Independent Life & Accident in Jacksonville and his partner, Miss Bertha Locreau.

\* \* \*

Although Charles E. Clarke of the Peninsular Casualty was ill, he did his full part in entertaining the guests. Several of the speakers paid tributes to him and it was easy to be seen that he stands high in conference regard.

\* \* \*

One interesting character in attendance was John N. McEacheru of Atlanta, founder and head of one of the oldest of the southern industrial companies, one of the magnates of the business. In fact, he is supposed to have made a million or so and is one of Atlanta's substantial capitalists.

\* \* \*

Probably the leader of this southern group, or if not the leader its outstanding thinker, is C. A. Craig, president of the National Life & Accident of Nashville. Mr. Craig would be a big man in any gathering of insurance officials and is a sincere and loyal member of the southern conference.

\* \* \*

If the group has a Chesterfield he is P. M. Estes of the Life & Casualty of Nashville. Mr. Estes has a saute and easy manner and usually says the right thing at the right time.

\* \* \*

Notice was served on the members that at the St. Louis meeting the proposal will be made that a permanent meeting place be selected, whereupon Presiding Officer Kendall announced that he did not care where they met the year after next, but that next year they would meet in Chicago, if he had his way.

\* \* \*

Two insurance journalists prominent in the conference were Raymond Daniel, Atlanta, associate editor of the "Insurance Field" who had charge of the golf tournament, and Louis Phillips of the "American Insurer," who presided at the Thursday morning session.

\* \* \*

Mrs. Charles E. Clarke, wife of the vice-president of the Peninsular Casualty, had charge of the visiting ladies and saw that they all enjoyed themselves. She entertained them with a luncheon on Thursday.

\* \* \*

The two new members of the conference are the United States Mutual of Chicago and the American Life & Accident of Louisville, while two companies that have dropped their membership are the Latin-American of New Orleans and the Business Men's of North Carolina.

## HOLCOMBE CITES NEED OF CONSERVATION WORK

Tells of Lack of Well-Directed Effort in This Direction, in the Past

#### IS MATTER OF EDUCATION

Problem Seen as One Depending Upon Selection and Training of Agency Force

In his address before the annual meeting of the Life Insurance Sales Research Bureau in Chicago last week, John M. Holcombe, manager of the Bureau, emphasized the need in the present day structure of life insurance of conservation and pointed out that the problems of retaining business is entirely a matter of education. Mr. Holcombe stated that life insurance has long since outgrown the stage where the writing of business is sufficient. Conservation has become an established part of any life insurance program and its future success or the success for any individual company depends entirely upon the educational program in use.

#### Five Interested Parties

Mr. Holcombe pointed out that educational program involved five interested parties. The company is interested and has a vital part in the program because it realizes today that conservation is a vital part of its march of progress. The agency executive now recognizes that he must temper his business getting efforts in order to secure business that stays on the books. The manager and general agent must reduce lapsation to the minimum not only for the good of the public and his company, but for himself as well. The soliciting agent has a vital interest in this, for if he keeps down the lapse rate that increases his remuneration. In the past the soliciting agent has written business and run away as fast as he could. The policyholders have been left to conserve their own interest.

#### Policyholders Neglected in Past

Mr. Holcombe said that the failure to properly guard this phase of the business in the past is evidenced in many ways. He said policyholders' months show a woeful lack of attention to old policyholders, now being remedied to some extent by these special campaigns. He said that also death claims give evidence of this. Few claim managers have not encountered claims on policyholders who took out \$2,000, say, in 1900 and at time of death had \$50,000, but no more than the original \$2,000 in the original company. The fifth interested party who must be concerned in any educational campaign is the public. Mr. Holcombe said that the public has not appreciated its interests in conservation and the definite loss to the policyholder through lapsation must be demonstrated by those in the life insurance business. It was pointed out that there are few contractual relations where everybody to the contract loses by the lapsing of it, but the life insurance contract is a striking example of this situation.

#### Need Preventive Work

Conservation was divided into two chief lines of approach, prevention and cure and Mr. Holcombe said that in the past too much attention has been given to the cure and not enough to prevention. He said that it will do no permanent good to the business simply to cure a small percentage of terminations to lapse, if the underlying conditions which create the lapses are allowed

(CONTINUED ON PAGE 32)

## Olive's Territory is in Michigan



"During September 'Bill' Olive wrote more business than he did during his first whole year with the Company. This record, made after twenty-three years in the same territory with the same Company, shows the possibilities of intensive cultivation, and that the market for insurance increases steadily where the salesman educates his public."

—The Franklin Field

THERE IS FRANKLIN TERRITORY FOR OTHER GOOD MEN IN MICHIGAN

# PROGRESS

To the material mind, progress is measured by tangible devices—the advancement of organizations being expressed in terms of monetary wealth, numerical increase, multiplicity of products, enlargement of area, conservation of effort. We live in an age both practical and scientific; we are encircled by formulae designed to determine our infinite graduations of efficiency.

And yet, while progress may indeed be viewed from the sharp angles of commerce and competition, there is a higher coign of vantage from whence we may more delicately weigh, measure, and summarize our general advancement toward the goal of ultimate achievement.

For progress implies the evolution of ideals into practice, the transformation of cold prestige into warm good will, the replacement of egotism by right sense of relative values, the fusing of the rough ores of sheer strength and power into the finer, flexible metal of dependability.

The essence of true progress is universal betterment. Only when all the component parts of an institution keep pace with its physical, mental and moral improvement can its development be permanently helpful and healthful.

# AMERICAN CENTRAL LIFE

INSURANCE COMPANY

INDIANAPOLIS

Old Line Legal Reserve  
Established 1855

HERBERT M. WOOLLEN, President

## BLIND LIFE AGENTS TELL OF PROBLEMS

Three Sightless Underwriters Are  
Speakers Before Philadelphia  
Association

### SYMPATHY A HANDICAP

Their Desire Is to Sell Insurance on  
Straight Business Basis and Not  
as Matter of Charity

PHILADELPHIA, Nov. 23.—New understanding of the problem of an insurance underwriter who is without the gift of sight was presented by three blind life insurance agents at the November meeting of the Philadelphia Association of Life Underwriters.

Harry Keifrider of the Aetna Life sounded the keynote of the blind underwriter's problems by direct reference to the difficulty in overcoming the charitable inclination of prospective purchasers of insurance. Mr. Keifrider, who is 33 years of age and the father of three children born since the war, lost his sight from shell fire at Montfalcon, during the Argonne drive of the World War, in 1918, when he was attached to the 315th Regiment of the 79th Division. He pays for about \$200,000 in life insurance a year.

#### Public Chief Stumbling Block

"Unfortunately the public is the chief stumbling block to the success of the blind underwriter," Mr. Keifrider said: "The public is hardly to be blamed for such warm sympathy, as it is accustomed to contacts with what might be called the 'sightless blind,' on the streets, and measure up the 'sighted blind' or those of us who have the proper mental vision to present an ideal such as is exemplified by life insurance, with the helpless."

"We are making no attempt to get something for nothing, and we feel that we are entitled to the same consideration on a business-like basis as the salesman of mental vision who has all his physical faculties."

"In other words, there are as many sighted salesmen in the field who have not mental vision or are not properly termed 'sighted.' They have eyes and see not."

"I have found that the life insurance field is one which offers the greatest opportunity for development of mental faculties, and which requires less physical assistance than any other. The splendid courses and painstaking care with which the Aetna has equipped us has enabled us to program applicants with equal ability to a sighted salesman."

"In my own personal work, I have been ably assisted, not only by my immediate superiors and close contact with my fellow blind, but by a young man who has his full faculties, David Burk, whose age precludes his writing life insurance, but whose training the past two years, listening to my sales talks as he leads me around, has not only fitted him for the field long before his maturity, but has been an additional inspiration for my endeavors and a partial recompense to those who have so ably instructed me, for their labors."

#### Work International in Itself

"The work we are doing is inspirational in itself. We have been able, through the placement of life insurance on the heads of families, to build a bulwark of financial strength against a certain loss to the unprotected wife and children. We feel that every policy delivered is the foundation, perhaps, of an education for posterity in these days

when the trained and educated man is the successful man.

"Fundamentally, of course, we find in the selling of life insurance a vocation that gives us the right to help humanity instead of being helped by humanity."

#### Julius Jonas a Speaker

Julius Jonas of the New York Life in New York City, who was 48 years old and held a position of sales director for a large corporation when he lost his sight six years ago, pointed out that those blind men who feel they could sell should take advantage of the opportunity now offered.

"The first six months of my experience as a life underwriter were very hard," Mr. Jonas said. "I had to have a guide, but I sold enough policies to bring my income up to \$150 a week for an average. I have never failed to write and pay for \$200,000 a year since."

#### Many Blind Life Students

"There are many works now in Braille that are available for the student. The



**JULIUS JONAS**  
New York Life, New York City

Hadley School of Correspondence for the Blind, in Illinois, has 70 students studying life insurance, and Prentice-Hall have given permission to copy their book on 'Life Insurance Principles and Practices' in Braille for general distribution to the blind.

"I find also that there is a word of praise for the United States government, which has seen fit to frank this course to and from students, libraries and schools."

"In our company, the New York Life, in 1925 four sightless men wrote a total of \$1,500,000 of business, bringing them incomes from \$6,700 to \$18,600 a year. The life insurance business is the only business I know of that affords the sightless the same goal offered to the sighted," Mr. Jonas concluded.

#### H. G. Robbins' Methods

The third speaker, Henry Griffith Robbins of the Aetna, gave a very enlightening talk on the methods used to instruct sightless and compile a rate book in Braille. Mr. Robbins has a stenographer and typist, blind as well, who takes dictation in a form of Braille shorthand, types letters by the touch system, and aids in the work of writing up applications or copying sales material for the blind underwriters of the company. He paid great tribute to W. R. Harper, general agent of the Aetna Life in Philadelphia, and his assistant, Mr. Gilman, for the painstaking manner in which they instructed the sightless underwriters in the fundamentals of selling, and the willingness with which they responded to every detailed question that was asked.

Dr. O. H. Burritt, principal of the Pennsylvania Institute for the Instruction of the Blind, was the third speaker.

(CONTINUED ON NEXT PAGE)

## SALES ARE REPORTED BY RESEARCH BUREAU

October Business Falls Off, But  
10-Month Record Shows  
Gain

### GIVE RESULTS BY STATES

South Atlantic and East North Central  
States Enjoyed Greatest  
Increase

HARTFORD, Nov. 23.—The sales of ordinary life insurance in the United States during the month of October show a slight decrease over sales in last October, which had increased 17 percent over October, 1924, according to figures just published by the Life Insurance Sales Research Bureau. The report includes the sales of new paid-for ordinary insurance as reported by 81 companies having in force 88 percent of the total life insurance outstanding in the United States legal reserve companies. The middle Atlantic section shows the highest gain in sales this month over the sales of October, 1925. The records for individual states show the greatest increases in Pennsylvania and Alabama.

#### Gain for Ten Months

For the 10-month period sales are 3 percent higher than in the corresponding period of last year, all sections sharing in the general gain. The east north central and south Atlantic sections lead in the year-to-date gain, each showing a 5 percent increase over last year.

Vermont, with a 7 percent increase, shows the best gain in the New England section over October, 1925. Sales in the New England states gained 3 percent for the year, Maine leading with an 8 percent increase. An average gain of 4 percent was made in this section in the 12 months ended Oct. 31, 1926, over the preceding 12 months.

The middle Atlantic section leads all the sections of the country in its monthly gain of 4 percent. The states comprising this section are: New York, New Jersey and Pennsylvania, which pay for approximately 30 percent of the total business in the United States. Among the states improvement is most noticeable in Pennsylvania, in which state the October production of ordinary life insurance was 16 percent ahead of last October. New York shows a gain of 3 percent, and New Jersey shows a decrease of 14 percent for the month. Despite the monthly decrease in sales in New Jersey, sales in New Jersey for the year are 7 percent ahead of sales last year.

For the 10-month period the east north central section leads the country with its 5 percent gain over the same period of last year. Michigan and Ohio show gains of 8 percent and 5 percent, respectively. All states in this section share in the year-to-date gain.

Sales in the west north central section

## BLIND LIFE AGENTS TELL OF PROBLEMS

(CONT'D FROM PRECEDING PAGE)  
David Sillman of the Aetna and Capt. Frank Schobie of the Equitable Life of New York, two other blind underwriters, were present.

President Kelley of the Philadelphia Association has been authorized to appoint a committee of five to start a fund for the development of improvements in the Braille system of writing for the blind, which will permit reproduction of rate books and printed matter in Braille.

were lower in October this year than in October, 1925. Iowa is the only state to show an increase. The average gain for the 10 months over the same period of 1925 is 3 percent. All states except South Dakota share in the general gain.

#### Change in Florida

Florida leads all the states in the country in the year-to-date gain of 27 percent, although the monthly figure in Florida shows a decrease of 22 percent from October, 1925. The District of Columbia and Maryland made gains of 11 percent and 9 percent, respectively.

Sales in the east south central section in October were practically identical with sales in October of last year. Alabama, with a gain of 14 percent, leads in the increase of October, 1926, over last October. For the first 10 months of the year this section shows an increase of 2 percent, Kentucky leading with a 5 percent gain.

Arkansas, Louisiana, Oklahoma, and Texas comprise the west south central section, and show a slight decrease over the record of a year ago. Oklahoma leads in the monthly gain, showing a 12 percent increase over last October. Oklahoma also leads in the year-to-date gain.

The amount of insurance purchased during October in the mountain section is 4 percent less than in October, 1925. Idaho continues to lead, showing a 10 percent increase for the month and a 16 percent increase for the year-to-date. In the 10-month period sales averaged 3 percent higher than sales in the corresponding period last year.

Washington leads the Pacific section with a monthly gain of 9 percent over October last year. The gains in the section as a whole average 3 percent for the year to date.

## PROGRAM IS ISSUED BY LIFE PRESIDENTS

(CONTINUED FROM PAGE 3)  
society of America; vice-president, Mutual Benefit Life.

Executive session to elect officers and for the transaction of routine business.

#### Friday, Dec. 10, 10 a. m.

"The Growing Conquest of Dependency in America"—M. Albert Linton, vice-president, Provident Mutual Life.

"What Is Distinctive in North American Civilization?"—Sir Robert A. Falconer, president, University of Toronto.

"Insuring Commercial Thrift Through Cooperation"—John W. O'Leary, president, United States Chamber of Commerce.

Greetings from official representatives of life insurance organizations.

#### Friday, Dec. 10, 2:30 p. m.

"America Preeminent in Life Insurance"—Fred A. Howland, president, National Life of Vermont.

"Live Saving Results, Economic and Social"—Henry S. Nollen, president, Equitable Life of Iowa.

"The Century's New Life Companies, Their Achievements and Future"—Julian Price, president, Jefferson Standard Life. General discussion.

#### Continue Injunction Against Barfod

Judges of the county court at Hamburg, Pa., refused to dissolve an injunction against a proposed investigation by Commissioner Einar Barfod into the affairs of the 26 fraternal and beneficial associations charged with operating at unsafe ratios to premium income.

The commissioner announced that he would proceed with a private investigation. The Liberty Life of Alabama obtained the injunction, and the court's action precluded the commissioner's further public airing in the newspapers of the affairs of a concern which denies his charges, as well as a number of other societies in the same position.

#### Cleary Again in Lead

G. V. Cleary of Chicago, leading producer of the Reliance Life of Pittsburgh for 1925 and president of the \$500,000 Club, is out to succeed himself for this office. Mr. Cleary's commuted volume for the year to date is \$750,000.

# 1927

OUR plans for the coming year are the most extensive in the history of the Pan-American Life Insurance Company.

They embrace four new policy contracts, intensive development of presently occupied territory, the opening up of new general agencies in territory now unoccupied and up-to-the-minute ideas for assisting agents in securing prospects and preparing interviews.

#### PAN-AMERICAN SERVICE INCLUDES:

##### *Educational Course*

##### *Sales Planning Department*

##### *Unexcelled Life Policies*

##### *Substandard Policies for Under-average Lives*

##### *Child's Educational Endowment*

##### *Group Insurance*

##### *All forms of Accident and Health Policies*

We have several attractive openings for men who are not at present attached and who measure up to Pan-American ideals.

#### ADDRESS

E. G. SIMMONS

*Vice-President and General Manager*

**PAN-AMERICAN  
LIFE INSURANCE CO.  
NEW ORLEANS, U. S. A.**

CRAWFORD E. ELLIS  
*President*

COMPANY PLANS EXTENDED AGENCY EXPANSION

# IN IOWA OPPORTUNITIES

WITH

## The Indianapolis Life Insurance Co.

FOR  
MANAGERS FOR

**Des Moines      Mason City  
Sioux City      Cedar Rapids**

***A Real Opportunity If You Are Seeking A General  
Agency Connection And Can Measure  
Up To The Requirements***

### WORKING TOOLS:

A Purely Mutual Company in its 22nd year.

\$63,500,000.00 Insurance in Force.

Low Initial Premiums, reduced by large annual dividends, resulting in Lowest Net Cost.

Satisfied Policyholders, and

A Clean and Wholesome Record all the way through.

Splendid co-operation from Home Office and Field.

Modern policies that sell, including Child's Endowment.

In 1924 the Company paid an EXTRA DIVIDEND of 20% in addition to the regular dividend.

An average of 26% increase in dividend scale of 1925.

Beginning November 20, 1926, an EXTRA DIVIDEND of 20% of the regular dividend will be paid to Policyholders, in addition to the regular dividend.

### QUALIFICATIONS:

Under 40 years of age; good health;

College Graduate preferred; Only experienced Life Insurance men, who have established successful records in either personal sales or agency building considered.

For personal interview write to Home Office.

**JOE C. CAPERTON  
AGENCY MANAGER**

## CHICAGO MANAGERS IN FIRST SPECIAL RALLY

Over 85 Agency Heads Gather  
for Initial Agencies' Conference of Association

### HEAR JOHN M. HOLCOMBE

Manager of Sales Research Bureau  
Gives Pointers on Organization  
and Training Work

The agencies' division of the Chicago Association of Life Underwriters held its first meeting in Chicago last week, bringing together the largest gathering of managers and general agents ever held in the city, to hear John M. Holcombe, manager of the Life Insurance Sales Research Bureau. There were 85 Chicago managers and general agents for the initial meeting of this newly created division of the Chicago association. It was formed under a constitutional change as a unit of the association to bring together the men in the managerial ranks for conferences and discussions on their distinctive problems which are not adequately handled in the general meetings of the agency body. S. T. Whatley, manager for the Aetna Life in Chicago and vice-president of the Chicago association, presided at the meeting which followed the luncheon and, after calling on Charles F. Axelson of the Northwestern Mutual, president of the association, for a few remarks, introduced Mr. Holcombe.

#### Discussed Agency Problems

Mr. Holcombe took as his subject "The Fundamentals of Agency Building." He gave a number of suggestions regarding organization building, based upon the studies of the experience in some 600 general agencies throughout the country on the part of the Research Bureau. In his introductory remarks Mr. Holcombe pointed out that it was particularly of interest to speak on the subject in this Chicago banquet room as this was the room in which the plans for the organization of the Research Bureau were first instituted six years ago. Mr. Holcombe said that probably the greatest difficulty before the average general agency is found in the fact that it has no goal and does not know what it is going to do next. He asked the managers if they knew what they were going to do next year. He said that they doubtless have their plans which will carry them to the end of this year, but he questioned the probability of any great number having definite plans for 1927.

#### Cited Startling Turnover

One statement made by Mr. Holcombe was particularly surprising and important in its relation to agency building. Mr. Holcombe said that of all the 200,000 life insurance agents in the field each year about 60,000 leave the business every year. He said that this startling turnover of the agency force has a notable and detrimental effect on the life insurance business in general. He said that if the managers concentrate their efforts on cutting down this continual flood of unsuccessful agents, they would greatly help the business. These men are not only an added expense to the companies, but they react against life insurance. The biggest loss to the business comes from having these men who have left the business mix with the public with their disgruntled viewpoint towards life insurance.

#### Selection Is Basic Problem

Thus Mr. Holcombe said that one of the most important questions before the

manager is the selection of agents, as the selection guides in a large part the successful continuation of the man in the business and thus the reduction of this high rate of turnover. Mr. Holcombe said that he did not believe a man was a manager, regardless of his title, if he did not prove himself an organization builder. He said that the manager who devotes any appreciable part of his time to personal production is not a qualified manager and is not doing his duty to the development of the improved tone of the business. As for sources of agency prospects, he said that this was a rather vague subject for debate, as the intelligent manager can quickly discover the proper processes to follow. He said that the same processes that secured one good agent would get more. Mr. Holcombe also suggested that every manager ask himself after hiring a man "would I like 10 men like this man I hired, or would 10 times the trouble he has made me break me?" He also said that many managers fall down because they fail to show their men how to sell, rather than telling them how to sell.

## Comments on Old Age Dependency in U. S.

THE extent of old age dependency in the United States was discussed by Edmund S. Cogswell, director of research for the National Civic Federation, at a meeting recently held in Philadelphia, under the auspices of the Pennsylvania State Department of Warfare. Mr. Cogswell points out that old age dependency has rapidly increased in recent years. In 1870 the total population was 38,555,371, of whom 1,153,649 were 65 years of age and over or only about 3 percent of the total population of that time. In 1920 the total population of the country had more than doubled and was 103,710,620, of which 4.7 percent or 4,933,215 had passed the 65th birthday.

#### Aged Persons Increased

He pointed out that while the population was less than three times what it was in 1870, the number of aged persons was more than four times the number of ages living in 1870. The causes are numerous, the most important being the large immigration of adults during the past 50 years. Improvement in public health, the conquest of certain diseases, the reduction of infant mortality, however, are also important factors. In discussing the actual number of dependents living in the country today, Mr. Cogswell pointed out that this is one of the most abused questions under consideration. He said that many misleading statements have been made in the past, giving various estimates as to the number of old age dependents and telling various stories, almost up to 100 percent.

#### Gives Best Figures

The best statistics, however, show that the proportion of aged dependent males was somewhere between a minimum of 17.9 percent and a maximum of 40 percent, with strong possibilities that the actual proportions approaches 40 percent. Mr. Cogswell quoted a number of statistical references to indicate the 40 percent ratio. As for the work being done for these, Mr. Cogswell referred to the various welfare developments and private and public benevolences and stated that there was still a need for increased work in this direction. He said that particularly is there need for hospitalization work, the majority of the dependent aged persons being in public almshouses without adequate hospital facilities.

#### Pennsylvania Carries Off Honors

Pennsylvania carried off the honors last week in the old policyholders campaign which the Ohio State Life is conducting. The Pennsylvania contingent ranked highest among the agencies and A. E. Demilio, manager at Pittsburgh, highest among the individual producers.

## PRODUCTION, PERSONNEL, SELECTION, IN INSURANCE AGENCY WORK

BY WALTER E. WEBB

Vice-President National Life, U. S. A.

THE general operations of a life company agency organization are marked by three interlocking subdivisions—"Production," "Personnel," "Selection." All companies' paramount concern is production. We must get business and, as a rule, cannot pass up or by any legitimate source of securing acceptable business. A company in a general way limits its requirements of representation to the primary qualifications of common honesty and about average intelligence. Any person who has about average intelligence and is honest—and honesty involves fair presentation of the company's goods—is entitled to his chance. Part time or whole time activity is immaterial—his present or previous occupation is of no consequence if it is self-respecting employment. He is contracted with as often on the basis of hope as judgment.

**Seemed Hopeless at the Start**

Some of the men who have developed into the most successful in the business have been rather hopeless in the beginning. It is impossible to determine in advance what any man may do or will do at any given period in his lifetime. The company seeks business. The man

sense that it turns away any men who fail to measure up to any certain standard. In fact, there is no standard as yet established. In its desire to get better business and reduce lapses, the company constantly strives to employ and develop better men to place the business.

**Organization Steadily Improves**

The agency organization steadily improves in "Personnel" because those men who are brought in average up exceptionally well as far as their education is concerned (I don't mean mere schooling), their appearance is better, their grasp of business conduct and their responsibility to company and policyholder is better. Likewise, the training and developing of acquired organization bears fruit. The "hit and run" salesmen, the typical "advance artist," the "trick" expert, the man with a lurid or questionable past, the failure in everything else, etc., is being passed by and passing out.

**Lifted to Higher Level**

More men of serious purpose continue to come in, more men who begin their business lives in life insurance instead of ending there join the force. The

At the meeting of the Association of Life Agency Officers in Chicago last week, Walter E. Webb, vice-president of the National Life, U. S. A., attracted considerable attention by his talk because he expressed the sentiment of the smaller and medium-sized company executive. Mr. Webb is a very practical and level-headed agency executive. He has an analytical mind and a sympathetic interest in the field man's problems because of his many years' experience as a soliciting agent and general agent. Mr. Webb has the knack of being able to express himself forcefully, but does so in a manner that does not wound.

may write \$5,000 or \$10,000. He may do \$100,000 a year. Every little bit helps the company and greatly helps the insured. If he can be expected to honestly present the company goods, he is rendering service. That's all there is to it—not theoretically, but as a practical matter and a matter of fact as company history reveals.

**Comment on Production**

The "Production" subdivision is highly important because production is the company's main problem. Who will get it—and how much per individual—or his relative desirability is not and cannot be considered at the outset of his employment—if he be honest and reasonably intelligent.

But the "Personnel" subdivision is also important. It grows out of the first. As the agents' new business writings increase yearly and the insurance in force inevitably reflects the weak spots in the original writing, the company thinks more and more of developing the representatives into better men as agents. Companies seek new men of some responsibility whose business will renew well because they sell it well in the beginning. They also endeavor to improve the men they already have to the same end.

**Gets Some High Grade Men**

In the reaching out for every possible producer in the "Production" activity, the company naturally—by the law of average—finds some men who are Class AAA and strange as it may seem develops some of the "mine run" men into men of strong character and personality. This experience, plus the constant need to give thought to conserving business later by writing it right earlier, centers the company's attention more and more on this "Personnel" factor.

This is middle ground—the company neither takes on every Tom, Dick and Harry, nor does it "select" men in the

tone, appearance, mental status and all are steadily lifted to a higher level. With this accomplished and enough business being written by these men and others like them to satisfy the individual company's production appetite, then we find more attention assigned to "Selection."

**Company Decides Its Policy**

This movement is going on at all times in the agency organization of progressive companies. Whether any single field of activity predominates is determined only by the policy of the institution in so far as its desire for new business is concerned. All three phases must characterize the activities of the company, and in varying degree, if the institution is to grow. The age, size, yearly production do not determine the activity which may predominate in any one subdivision. It is a matter of the individual company policy.

**Use of Selection Factor**

The "Selection" phase is usually emphasized when the company is in the happy position of writing what it considers an ample volume of new business and shows what it considers steady and satisfactory gains in insurance in force. Then the company "yard-sticks" men, surveys the field and selects what it considers the especially promising prospects for its particular organization. The problem of selection depends for its solution, as do all agency problems, on the men responsible for the agency organization. Some agency men can never do more than hire anybody and hope they'll make good. Others can develop personnel. Others, not many, can go through on the "selection" basis.

There is a time and place for everything. The right man in the wrong place is bad. The wrong man in the right place is not so good, either. The right man at the wrong time is bad. The right man in the wrong period is also bad.

The whole question does not involve

# Another Step Forward

**THE creed of our Agency Department has always been that it exists for two basic purposes: to improve constantly the service rendered the policyholder both old and new; to make it easy for the agent to improve his production record.**

**In accord with this creed, two decisive advancements have been made in 1926:**

**1—A complete Correspondence Course in the fundamentals of sound underwriting and sales methods—opened six months ago. Nearly 800 agents have enrolled. They are already reporting exceptional profits from their study.**

**2—More recently the Company has founded a new Division of Education. Within a few months the Union Central will announce plans for personal training which we believe will mark a new era in life insurance education.**

# The Union Central Life Insurance Company CINCINNATI

**Business in Force  
More than One Billion 215 Million**

## Celebrate With Us

Next June this Company will celebrate its Eightieth Anniversary with a great Convention in Philadelphia, to be attended by Field representatives from all parts of the country.

The PENN MUTUAL has places for capable, hard-working men and women who are devoted to the highest ideals of life insurance. Contracts are satisfactory, and the conditions and atmosphere of a Penn Mutual agency relationship are of the kind that creates enthusiasm and assures permanency.

**The Penn Mutual Life Insurance Company  
Philadelphia, Pa.**

*Organized 1847*

Do your fellow agent a good turn—get him acquainted with The National Underwriter, the real insurance newspaper.

ethics—it is only a matter of practice. Whether a company employ part time or whole time men is not an ethical matter. In my limited observation I have found that more companies write "part time" business so long as their plan of expansion makes that business attractive.

### Not a Question of Ethics

When the "full time" production becomes so satisfactory to them that they no longer feel the attraction of the part timer, he is discarded. Which is as it should be. Every company should determine what it wishes to accomplish and how it wishes to operate, all in accordance with its plan of development or general progress. The only mistake I can see to the employment of legitimate part time men or their discontinuance is to call it a matter of ethics, when they are dropped only because they are no longer wanted.

### Want Full Time Organization

We all want full time organization. That is granted. We take on the part timer because the business is desired and we hope to make a full time producer out of the part timer. Incidentally, it is not to be overlooked that many of the big producers today were part time men in the beginning.

This article has no criticism of the

constructive work which has been done in recent years, for the benefit of all companies. Winslow Russell of the Phoenix Mutual, has rendered signal service to the life insurance fraternity, inspired the respect, esteem and affection of all serious minded agency men. He pioneered the modern method of training, educating, and selecting men. He was one of few, who had the courage to drop his production and undertake the program, without charts, precedent, or anything else but his convictions and high ideals to guide him. He has made good in enviable fashion, and no man is entitled to more credit than he for the influx of intelligent, serious minded young men into life insurance work as a vocation.

### Have Contributed Much to Insurance

Dr. John A. Stevenson, who pioneered the Carnegie Tech proposition, has contributed much to the elevation of agency standards in recent years. Griffin M. Lovelace has patiently, industriously and successfully carried forward a splendid work to the same end. Oliver Thurman, H. H. Armstrong, John Marshall Holcombe, Charles Hommeyer, Wm. E. Taylor, H. E. Aldrich, Dr. Rockwell, E. K. Strong and many others have unselfishly given of their time and thought that better men might become life underwriters.

### Goal to Be Reached

Training and educating men should be compound parts of all subdivisions of "Production," "Personnel" and "Selection." It should be done, by all means, but not to the exclusion of getting the business as the company goes along. It's like planning—plan all your life—create sales courses, train men—select men—but meanwhile get something done. Get enough honest, average intelligent men to do a reasonable business.

### Must Proceed Rationally

Everything has its place. We must set up goals of achievement worth while. We must improve, expand, and grow. But we must proceed rationally. We must remember that a river cannot rise higher than its source. We must not try to swap, in midstream, our horse of "Production" for our horse of "Selection"! We must ride them both to shore—and go on from there, trailing our "Production" horse, perhaps, but not letting go altogether.

## COMMISSIONERS HELD PEACEFUL CONVENTION

(CONTINUED FROM PAGE 1)

probably Cleveland or Columbus. A motion was also carried providing for a meeting of the executive committee some time early in May, to which all commissioners would be invited, to be held at Richmond, Va. A motion was also adopted to the effect that it was the sense of the committee that the next annual session be held in December next year, date and place to be decided later on.

### Reject Mortality Table

Other matters disposed of at the Friday morning session included attention to reports of various committees, the most important being the report of special committee appointed to consider and report on the advisability of making the American Men Ultimate table of mortality permissible as a legal valuation standard, which was presented by William M. Corcoran, chairman, who moved the adoption of the report. After considerable discussion, including the reading of a letter upon the subject by Arthur B. Lyons, actuary of the Massachusetts department, expressing opposition, the resolution to adopt the report was defeated by a vote of 28 to 4.

### Ruling on Property Valuation

A resolution offered by the examination committee which was unanimously carried, provides: "That the examination committee approves the practice of allowing as to the valuation on home office property of insurance companies.

## Our Agents Have

### A Wider Field— An Increased Opportunity Because We Have

General Age Limits 0 to 60.

Non-Medical Age Limits 0 to 45.

Policies for substantial amounts (up to \$5,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i. e., Annual, Semi-annual or Quarterly Premium plan.

Participating and Non-Participating Policies, Medical and Non-Medical.

Same Rates for Males and Females, Medical and Non-Medical.

Double Indemnity and Total and Permanent Disability features for Males and Females alike, Medical and Non-Medical.

Standard and Substandard Risk Contracts.

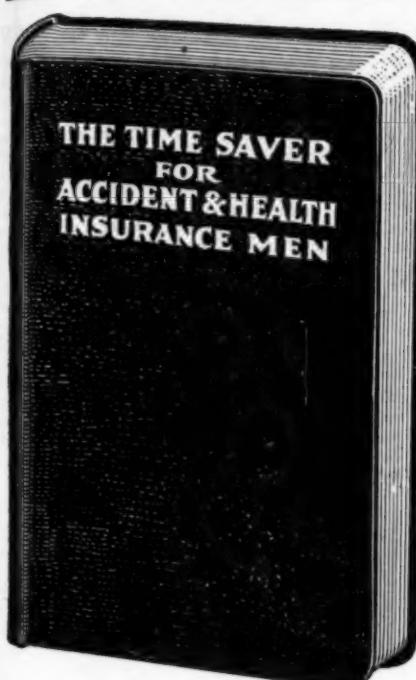
Our Class C Senior Agents may write Non-Medical Applications for as much as \$3,000.

We have openings in Ala., Ariz., Ark., Dela., D. C., Fla., Ga., Ill., Ia., Kans., Md., Mich., Minn., Miss., N. M., N. C., Okla., S. D., W. Va.

## THE OLD COLONY LIFE INSURANCE COMPANY of CHICAGO, ILL.

B. R. NUESKE, President

The Company has its Home Office in its own building at 166 W. Jackson Blvd., running through to Quincy and Wells Streets, right in the heart of Chicago's Financial district.



Two-Thirds Actual Size

- Rates and Analysis
- 800 pages
- Elimination Period Rates and Terms
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- Health Coverage Rate Practices
- Synopsis of 700 Policies
- 87 Companies
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## The Standard Authority on Accident and Health Policies

### FIFTH ANNUAL EDITION

Ready December 4, 1926  
Corrected to November 1, 1926

# TIME SAVER

for

## ACCIDENT AND HEALTH INSURANCE

### The Most Complete Compilation on Accident and Health Policies Ever Published

It constitutes a handy manual for the Accident and Health solicitor, enabling him to quote, accurately and quickly, the clauses, conditions, rates and terms of practically all the policies he is likely to meet in the field. The possession of this book will give him confidence; an invaluable knowledge of the Accident and Health business; a familiarity with the contracts and rates of all companies, which is the best possible background for selling his own policies. An agent without the Time Saver does not give himself a fair show.

#### Arrangement

The name and form number or letter of the policy, is followed by the rates and then an analysis of the policy. The side headings of the various policy provisions as shown in boldface type and are always placed in the same relative order in the analysis, regardless of where these points may be covered in the policy itself. When you have once learned where to look for any particular points about which you desire information, you have learned it for all policies in the book. The policies of each individual company are shown together.

#### Accuracy

The accuracy of the information shown in the 800 pages of this book is remarkable. This accuracy is the logical outcome of the most careful editing, followed by a double checking, both in the office of the publisher and in the office of the companies whose policies are analyzed. Every figure and every line has been made as accurate as human ingenuity can make it. Every shade of meaning in the contract is reflected in non-technical, easily understood language.

#### Completeness

No other analysis of Accident and Health policies has ever been issued so complete as this. The book contains 160 more pages than last year's Time Saver and an analysis of 200 more policies. Every commercial policy written by the leading companies is analyzed in the Time Saver and, in addition, many monthly premium policies. In addition you will find an analysis of limited coverage policies, such as automobile policies and hospital expense policies. For the benefit of the user, one newspaper policy and one group policy, as well as two weekly industrial premium policies, are analyzed in the book. These examples of such policies are sufficient to show what these policies as a class offer in the way of protection.

#### Description of Book

The Time Saver is published in pocket size, 6x4 inches, printed on thin "bible" paper, and is bound in a handsome flexible red cover. The paper in each book this year will cost twice as much as the paper in each book last year. This is being done so that while buyers will get a book with 160 more pages, its actual size will be less than last year's edition.

THE NATIONAL UNDERWRITER COMPANY  
420 East Fourth Street  
Cincinnati, Ohio

Send me ..... copies of the new edition of the Time Saver  
at my company club price.

#### Mutuals and Associations

An analysis of the policies of all leading mutual companies and associations is included in the book. Those who are familiar with Accident and Health Insurance contracts know that associations often issue certificates, the contract terms being covered in the by-laws of the association. These contract terms, as taken from the by-laws of such associations, are all shown in the Time Saver.

#### Financial Statements

A financial statement on 150 companies, giving assets, surplus as to policyholders and capital as of December 31, 1925, is included. In addition there is a record of the Accident and Health premiums written and losses incurred for each company during the year 1925.

#### Standard Provisions

In the back of the book you will find a complete reprint of the Standard Provisions as required by many of the states and as used by nearly all companies in most states. In the analysis of policies, reference is frequently made to Standard Provisions 10, 16 and 17, and sometimes to 19. Reprint of the Standard Provisions enables the user to show at once what these references mean.

#### Elimination Period Rates

Use of the elimination period for sickness coverage has become a common practice and this year's edition of the Time Saver contains many additional pages to give these elimination period rates as well as the terms of the elimination period riders.

#### Non-Cancellable Analysis

Complete rates and analysis of the non-cancellable contracts being written by several companies are included in the Time Saver. One non-cancellable rate page is reproduced on the inside pages of this leaflet. Every portion of the non-cancellable policy having a bearing upon the contract between company and policyholder is clearly and thoroughly shown in the book.

#### Health Coverage Rate Practices

Some companies accept a risk for disability or health coverage at a given rate and continue this same rate throughout the life of the policy regardless of any increase in rates which may be charged to new policyholders coming in at older ages. Other companies make the increase on old policyholders as well as new policyholders at a given age. The Time Saver shows the practice of the company on this point.

#### Price

The single copy price of the Time Saver is \$3.00, and in quantities to 100 as follows: 6 copies, \$2.90; 12 copies, \$2.80; 25 copies, \$2.60; 50 copies, \$2.50; 100 copies, \$2.40.

To these prices transportation is added from Cincinnati. Note that your price will be determined by the number of copies of the Time Saver ordered directly by the agents of your company. If the agents of your company order 25 copies, your price will be \$2.60. It cannot exceed \$3.00 under any circumstances.

Name .....  
Company .....  
Street .....  
City and State.....

## "ATLANTIC ADVANTAGES"

Is the title of an interesting booklet recently published by this Company.

Forty distinct advantages available to representatives of this Company are listed in this booklet. Each one of these features is a valuable "tool" in the very complete kit with which Atlantic Life salesmen work.

Anyone interested in making a real general agency connection for territory in either of the states listed below, should study this booklet.

**Minnesota      Michigan**  
**Texas              West Virginia**

Our general agency proposition, Home Office assistance and the protection and service we offer the insuring public combine to make an Atlantic Life contract a very valuable franchise.

*"Honestly It's The Best Policy"*

**ATLANTIC LIFE INSURANCE CO.**  
RICHMOND, VIRGINIA

INSURANCE IN FORCE MORE THAN \$132,000,000

## *MINNESOTA calls you*

—and the Des Moines Life offers you the kind of personal co-operation that has made this company famous. We have a few towns in Minnesota which present such good opportunities that only good producers will be considered for them. If you are a good producer, we want to hear from you.

We also have openings in Iowa, Missouri, Nebraska and South Dakota

## Des Moines Life & Annuity Company

J. J. Shambaugh, President

**DES MOINES, IOWA**

**THE COMPANY OF CO-OPERATION**

such an amount as will reflect from actual interest earnings from said property a net return of not less than 3½ percent of such valuation. Any valuation in excess of the sum upon which the net income is less than 3½ percent shall be deducted as a non-admitted asset."

In connection with report made by Commissioner Sullivan, chairman of the miscellaneous committee, to the effect that the committee had not been afforded an opportunity to pass on the automobile fleet insurance bill presented by Commissioner Wells, of Minnesota, and would not be able to do so at this convention, it was decided to postpone action thereon until the next meeting.

### No Action on Compulsory Law

The committee on laws and legislation offered the following report expressing the decision of the convention upon the subject of compulsory automobile insurance: "Your committee has given consideration to the matter of compulsory liability insurance as applied to motor vehicles and reports as follows: Your committee finds it inadvisable to recommend a uniform law relative to such insurance, or to determine the propriety or feasibility of compulsory automobile insurance, and would recommend that the convention take no action in the matter until ample opportunity has been had to observe the result of the enforcement of the compulsory automobile insurance law of Massachusetts and the financial responsibility law of Connecticut." The report was approved.

In response to suggestion of Commissioner Dunham upon the subject of the desirability of adopting a uniform system of licensing agents, President Conn stated that he would appoint a committee to take up the matter of standardization of agents' licenses, the names of the members to be announced later.

The special committee which had been appointed to consider a telegram received from Edward A. Woods of Pittsburgh, in connection with endorsement and approval requested of the plan for the establishment of an insurance library reported its inability to report any recommendation owing to lack of definite information as to exactly what is desired. It was decided to communicate further with Mr. Woods and report fully on the subject at the next meeting.

### Convention Largely Peaceful

With the exception of the spirit of conflict which found expression in connection with consideration of the resolution relative to acquisition costs on surety business, it is said that this convention was one of the most peaceful and harmonious meetings in the history of the organization. Credit for this situation is freely given to Judge Conn and attention was directed to this fact when his name was presented to the convention in nomination for reelection. In response to the unanimous vote electing him for the ensuing year, Judge Conn feelingly expressed his appreciation, stating that he interpreted this action as approval of his past administration and of the policy which he expected to continue of fairness to all interests involved in the responsibilities of the position.

### LIFE OFFICIALS ATTEND MEETING

Many Company Representatives are Present at the Sessions of Insurance Commissioners' Convention

Following is a list of representatives of insurance companies and others who attended the annual session of the National Convention of Insurance Commissioners at Los Angeles, not including commissioners and members of staff of insurance departments of various states: Claris Adams, secretary, American Life Convention, St. Louis; J. B. Abrams, National Security Benefit Association, Topeka; W. S. Ayers, vice-president, Bankers Life of Des Moines; Francis

## Writes Life Policy to Continue Alimony

MISS MARY BATES, a successful agent of the Cincinnati agency of the Union Central Life and formerly private secretary to Manager John L. Shuff, recently wrote an unusual case, an ordinary life policy to guarantee the alimony of a divorced wife. The policy included the disability feature. In this case the former husband is a good salesman and capable of earning the alimony as long as he lives. After the divorce the woman took a position at \$1,500 a year, which was not sufficient to maintain herself and her three dependent children in case the alimony were withdrawn through the death of the husband. At first the ex-husband was averse to being examined, but finally consented. The ex-wife, of course, pays the premium. Here is a new field for the life insurance agent, as the divorce records in every city would probably show a number of similar cases.

L. Brown, vice-president, Rockford Life; J. V. Barry, vice-president, Metropolitan Life; T. W. Blackburn, former secretary, American Life Convention; William L. Chambeau, vice-president, Merchants Life, Des Moines; Dr. C. C. Criss, Mutual Benefit, Lincoln; Harry Coffee, Mutual Benefit, Omaha; Fred P. Carr, Central Life of Des Moines; J. D. Craig, actuary, Metropolitan Life; Harry R. Cunningham, vice-president, Montana Life; F. G. Dunham, Association of Life Presidents; H. W. Foskett, assistant treasurer, Equitable Life of Iowa; P. M. Henry, counsel, Equitable Life of Iowa; Ben J. Gibson, attorney general of Iowa; H. P. Hammond, assistant actuary, Travelers; Isaac Miller Hamilton, president, Federal Life; E. J. Heppenheimer, Colonial Life of New Jersey; W. R. C. Kendrick, vice-president, Royal Union Life; Francis V. Keesling, vice-president, West Coast Life; Gordon Thomson, vice-president, West Coast Life; J. R. Kruse, president, California State Life; T. G. McConkey, Canada Life; Geo. E. Marigold, Prudential; John G. Maher, president, Old Line Life, Lincoln, Neb.; R. N. Malpas, Reinsurance Life; Franklin B. Meade, vice-president, Lincoln National; C. E. McLaughlin, general counsel, California State Life; W. L. T. Rogerson, vice-president, Life Insurance Company of Virginia; J. H. Reardon, deputy attorney general of California; John Sullivan, American Fraternal Congress and Modern Woodmen; H. F. Tyrrell, legislative counsel, Northwestern Mutual Life; S. H. Wolfe, New York; R. H. Whitlow, Union Life of Arkansas; Charles Williams, Western & Southern Life; Robert Work, secretary, Illinois Bankers Life; George R. Allen, Security Benefit Association, Topeka; Mrs. Minnie W. Audelotte, Women's Benefit Association; Allen E. BroSmith, Travelers; H. H. Buckman, California State Life; I. I. Boak, Woodmen of the World, Denver; S. E. Barry, Northwestern Mutual Life; J. A. Batchelor, American Insurance Union; J. O. Carter, president, Intermountain Life; Marcus Gunn, Western States Life, San Francisco; George W. Hoglan, American Insurance Union, Columbus; O. B. Hartley, Great Western of Des Moines; John T. Lutz, American Insurance Union, Columbus; Thomas F. McDonald, secretary, National Fraternal Congress of America; E. M. Mason, secretary Ben Hur, Crawfordsville, Ind.; A. C. Savage, Royal Union Life, Des Moines; Harry E. Aldrich, vice-president, Equitable Life of Iowa, Des Moines; E. M. Woollen, American Life, Indianapolis.

### Baltimore Life Appointments

The board of directors of the Baltimore Life has elected Albert Burns a member of that body and treasurer of the company. Emory H. Niles has been appointed assistant treasurer.

The law firm of Niles, Barton, Morrow & Yost has been selected as counsel.

## SELLING BUSINESS INSURANCE 90 PER-CENT BUSINESS, 10 PERCENT INSURANCE

To sell business insurance requires a 90 percent knowledge of business and a 10 percent knowledge of life insurance, according to Ralph Sanborn, associate general agent for the State Mutual Life in New York, speaking at the ninth of Jack Berlet's series of 18 money-making sales talks conducted at the Guardian Life agency in Philadelphia.

"Don't think for a minute, however, that anybody can proceed on the subject of business life insurance with such an infinitesimal knowledge of life insurance as the 10 percent may convey," Mr. Sanborn continued. "My proportions are meant to be only in the sale, your understanding of business must comprise 90 percent of the prospect's business, with your own business relatively unimportant in the transaction until the close."

### Knowledge of Finance Needed

"Business life insurance is more than just the study of an adaptable policy. It involves a certain technical knowledge of business finance that cannot be too greatly emphasized. By a knowledge of finance and financing I mean the problems of the firm with which you are dealing, so that you may intelligently understand their specific needs in the writing of insurance to fit that need."

"When you write business life insurance make certain that you do a job that won't kick back at you. When you sell a man personal insurance, his widow or family are most often unfamiliar with the details of the transaction. But when you sell business insurance, in nine cases out of ten at least one of the partners or interested men of the firm will sit in on the sales transaction, and when you come around with a check to the corporation that is to execute an agreement you have drawn up, and they find you have recommended something that cannot be done—it is going to ring in your ears. The dead man won't get up to tell you about it, but the survivors will certainly let it be known, so be sure that all the holes are plugged before you leave the job as completed."

### Suggested Questionnaire

Mr. Sanborn then suggested the following questionnaire to be used when soliciting business insurance:

1. Nature of organization (the nature of organization simply means what is its business).
2. Partnership or corporation.
3. Number of partners.
4. Their ages and physical condition.

### Publisher on Traveler's Board

Everett C. Wilson, publisher of the Hartford "Times," has been elected a director of the three Travelers' companies—the Travelers Insurance Company, Travelers Indemnity and Travelers Fire. He will fill the unexpired term of Charles Hopkins Clark, who died recently and whose other board representations were filled by his successor, Harry Conland, publisher of the Hartford "Courant." The election of Mr. Wilson to the board of the Travelers means a signal honor to the publishers of both of Hartford's leading and only newspapers. There have always been very close relations and interest between the Hartford "Times" and the Travelers and this election further consummates the continuance of the relations already established.

### See New Robertson Law Fight

Reports are that another effort will be made in the Texas legislature to repeal or materially amend the Robertson compulsory investment law. According to the reports, John Henry Kirby of Hous-

5. Number of directors and stockholding executives.
6. Their ages and physical conditions.

7. Amount of interest held by members of the firm (this is quite essential).
8. Has the company an option on those interests in the event of death?

9. Nature and character of minority interest.
10. Is any stock interest unpaid for, or being worked off by some subordinate?

11. Total amount of stock, common and preferred.
12. Total capitalization.

### Worth of Members of Firm

13. Estimated worth by members of the firm.

You can get them. I do it by telling them what Bradstreet rates them. Bradstreet is always low, and they say: "Bradstreet may think they can buy this business for \$150,000 but I'd like to see them do it." "Well, about how much?" "Well, I don't think any less than \$250,000."

14. Subsidiary interest of firm or individuals—that is outside where that firm may have an insurable interest in some company or plant that you didn't know belonged to that corporation.

15. Who and what are the silent interests? That applies particularly to the partnerships—the men that you have not known were connected with that firm. For instance, there are many corporations that George F. Baker is connected with, and he would represent that idea.

### Other Inquiries Made

16. Who endorses the company's paper and obligations?

17. Has a death ever occurred in that firm or one of immediate acquaintance which momentarily incapacitated that organization? I doubt if they know what business life insurance can do.

18. (Let me underline this:) Is there any existing agreement in writing to govern the succession in the company, together with an offer of stock to a non-stockholding member who may be advanced by a death? The first half of that applies to a partnership and corporation. The last half applies alone to corporations.

19. (Pertaining solely to the single owner company.) What is he going to do with his business? Of course, the first questions apply to him, but the separate questions applies: What is he going to do with his business when he dies?

ton, one of the successful business men in Texas, will sponsor the repeal of the law, or its material modification. Mr. Kirby is to be a member of the legislature. Some years ago when a plebiscite was taken in Texas the majority was against the repeal of the law.

Texas life companies for the most part are opposed to the repeal of the law. They will try to have Governor-elect Dan Moody make some declaration on the matter. Mr. Moody is a nephew of the late James B. Robertson, who was author of the compulsory investment law.

### Hastings at Milwaukee Meeting

Glover S. Hastings, superintendent of agencies for New England Mutual Life, represented the home office at the agency staff meeting held by the A. L. Saltzstein general agency for Wisconsin and upper Michigan, in Milwaukee Friday. Thirty-five members of Mr. Saltzstein's agency attended the sessions. Problems relative to the selling of life insurance were discussed and the agents were addressed by Mr. Hastings and Mr. Saltzstein.

## CONWAY BUILDING

111 West Washington Street  
CHICAGO



### WE ARE PLEASED TO OFFER

Insurance companies, branch offices and general agents attractive office space in this building. Also one entire floor containing 21,000 square feet is available.

Location, equipment and service unsurpassed.

WILLIAM S. PYE, Manager

Room 1243

Phone: Franklin 4850

## Western Reserve Life Insurance Company MUNCIE, INDIANA

### Old Line Legal Reserve Company

Operates in Indiana and Ohio

### Wanted: A few General Agents in each State.

Service to Policyholders Unsurpassed

# Central States Life Insurance Company

ST. LOUIS, MO.

## Agency Openings in

ARKANSAS  
CALIFORNIA  
COLORADO  
FLORIDA  
IDAHO  
ILLINOIS  
KANSAS  
MINNESOTA

MISSOURI  
MONTANA  
NEBRASKA  
NEW MEXICO  
OKLAHOMA  
SOUTH DAKOTA  
TEXAS  
UTAH

WYOMING

□ □

*All Ages up to 65  
Participating and Non-Participating  
Standard and Sub-Standard  
Disability and Double Indemnity*

ASSETS: \$7,000,000

INSURANCE IN FORCE: \$70,000,000

## 28,000 PROSPECTS

DURING THE MONTH OF OCTOBER, "Policy Holders' Month," salesmen of this Company were given the names of 28,000 prospects for life insurance furnished by policy holders.

THIS SPLENDID COOPERATION of policy holders was but one result of Bankers Life Direct Mail Advertising which is at work day in and day out to help Bankers Life salesmen in their work.

## BANKERS LIFE COMPANY

GERARD S. NOLLEN, President

Established 1879

Des Moines, Iowa

## AGENTS NEEDS ENOUGH EDUCATION TO INTERPRET INSURANCE TO PROSPECT

GEORGE H. HARRIS, supervisor of the field service bureau of the Sun Life of Canada, was the speaker at the November meeting of the Chicago Association of Life Underwriters. He prefaced his address with an interesting account of the origin and development of life insurance from what he said were the first attempts. Mr. Harris then said that there is no reason why any one agent should allow himself to be patronized by anyone. He quoted figures on the growth of the life insurance business from \$8,000,000 in force in 1899 to a total of \$80,000,000,000 in force today, a tenfold increase of which anyone can be proud. He said that this is a triumph of salesmanship, and that any agent who has had a part in the development can partake of the dignity of it. He said that the agent should know about his own business and be proud of it.

### Needs Some Education

An essential for the successful agent is to have some education, according to Mr. Harris. He said that the agent should know something about his business and its status in the economic system. He said that he started out as an educator with the idea of educating the 2,000 agents of his company. He thought it would be an easy undertaking but he has become disillusioned. He has found it a stupendous undertaking to try to educate the field force to a real knowledge of the business. He said that education is the capacity for understanding and that the function of the agent is to interpret the technical insurance business so that it can be understood by the simple mind of the average prospect. It is a mistake for the agent to try to become an actuary or mathematician, especially when he is canvassing. Too many figures usually confuse the prospect. What is needed is an interpretation which he can understand.

### Find Reasons for Buying

He said that the only excuse any prospect has for buying insurance is that it will be to his advantage to do so. The agent should keep this in mind in every sale. He told of one case in which he had been doing his utmost to sell a policy. Finally he told the prospect that he had not been able to find one reason why he should buy insurance. The prospect said that that was not his fault, as, since the agent had come in to sell, it was his duty to find reasons for selling. Mr. Harris then told him that he thought he had found the trouble. He said that the prospect had been thinking Mr. Harris was trying to sell him something, while Mr. Harris had been trying to find some reason why the prospect should buy. He told the prospect that he disliked paying premiums himself and sympathized with any policyholder, and certainly would not carry insurance unless it was to his advantage to do so. He said that he could not tell the prospect why he should buy insurance unless the prospect first told him. The prospect soon did so.

### Placed Rated Up Policy

One of the interesting cases Mr. Harris related was the placing of a rated up policy. When he first received the policy he decided not to take it around, feeling sure that it would not be accepted. After he had thought it over for a day or so, however, he decided that the man had need of insurance in the first place and needed it just as much even though it would cost him more. As he walked to the prospect's office, he analyzed his own method of coming around to the conclusion that the prospect should take the policy and decided to follow the same plan in breaking the news to the prospect. Consequently he told him as soon as he got

there and then started to talk about the general subject of selection of risks. Finally he offered the policy to the man, who promptly refused it, saying that he was hard boiled and had no intention of taking the policy under such circumstances.

### Only the Family Matters

Mr. Harris told him that his company had written \$250,000,000 of insurance that year, whereas this policy was only for \$25,000 and that consequently it



GEORGE H. HARRIS  
Sun Life of Canada

would probably matter very little to the company whether or not the policy was accepted. He said that as for himself, he would like to do business with the prospect, but he hoped that his own interests had had nothing to do with the signing of the application in the first place. He said that he was not an object of charity and would not do business under those circumstances. Consequently his interests should have little to do with the man's decision. He then surprised the prospect by telling him that it would not matter at all to the man himself if he did not take the policy as he would be dead when the time for payment came. The only ones to whom it really mattered were the members of his family. When the prospect had applied for the policy in the first place, he had done so thinking of his family. His efforts at being hard boiled now that the policy had been rated up showed poor taste inasmuch as he was being hard boiled only about the welfare of his family. As a result the man took the policy.

### Aetna Life Stock Off Curb List

Notices have been received in Hartford that stocks of Aetna Life were stricken from the New York curb market list. The listing of these stocks on the curb was made without the knowledge of the local insurance companies and no report of the condition of the companies had been filed by the companies—a usual requirement for the listing of stocks on exchanges. There was considerable trading in the stocks on the curb, but since trading was in small lots, sometime only one or two shares, the quotations were not regarded as an indication of values.

Insurance officials protested against the listing of the stock on this market and this led to their withdrawal.

### Poe Made Supervisor

Fred Poe, formerly connected with the Mutual Life, has been appointed field supervisor of the Home Life of Little Rock.

## INDUSTRIAL INSURERS CONFERENCE OUTGROWTH OF NATURAL TENDENCY

"A SICK Nigger ain't got no friends," is an old saying among the colored folks in the south and probably accounts as much as anything for the great success of the companies comprising the Industrial Insurers Conference, which held its annual meeting at Jacksonville, Fla., last week. Some say these sick benefit companies sprang from the Home Friendly Society of Baltimore, which took its name and idea from the friendly societies of England, which preceded the Prudential of London. It is as natural to organize benefit societies in the early stages of society as to provide for undertakers.

The country as a whole may be growing away from industrial insurance. High wages, better living conditions, better organization of the workers may in time make industrial insurance obsolete. Ordinary insurance, group and salary savings are all making their inroads on the industrial business, but among the unorganized Negroes of the south for many years to come will be found the true home of industrial insurance. Only here it is not merely the appeal of a respectable, even fashionable funeral, that tells; "a sick Nigger ain't got no friends" is equally effective, if not more so. This old saying does not imply that the Negro is not inclined to be as friendly and helpful as the white. It was his mortal fear of illness of all kinds born of ignorance of disease that coined the phrase and the almost superstitious fear of illness has made the black man a ready buyer of "sick and accident" insurance, combined with a burial benefit.

This is the form of insurance sold by the members of the Industrial Insurers Conference, and many others in the south. In 1910 twenty of these companies had a premium income of \$3,500,000 and in 1925 the income of these same companies had increased to \$29,-

500,000. The southern companies with a few exceptions write mostly colored industrial insurance but some of them write white also, in considerable quantity. It would not be surprising if a number of them write white exclusively. There was a tendency some time back on the part of the colored race to forward a movement to patronize only companies run by Negroes, but this does not appear to have hurt the business of the white companies seriously.

What is bothering the companies is the mounting loss ratio on health and accident, due to fraud and maligning. In the 20 companies referred to this ratio increased in 15 years from 30 percent to 38 percent, while the death claims in 1910 were 7.02 percent and in 1925 7.03 percent. Some companies take this more seriously than others. After Fitzhugh McMaster, former insurance commissioner of South Carolina, became assistant manager of the Carolina Life, the company is said to have let over \$1,500,000 of "sick and accident" debit run off its books which has now been replaced by straight industrial life.

But perhaps the most interesting development among these southern industrial companies is the trend towards ordinary life. Of the 20 companies in the membership, no fewer than 14 are now known to be writing straight ordinary life. The latest member to take up this branch is the Bankers Health & Life of Macon, Ga. The others are: Carolina Life, Columbia, S. C.; Continental Life, Washington, D. C.; Durham Life, Raleigh, N. C.; Gulf Life & Accident, Jacksonville, Fla.; Home Beneficial Association, Richmond, Va.; Interstate Life & Accident, Chattanooga; Life & Casualty, Nashville; National Life & Accident, Nashville; Peninsular Casualty, Jacksonville, Fla.; Peoples Life, Washington, D. C.; Provident Life & Accident, Chattanooga; Southern Life & Health, Birmingham, Ala.

## HEALTH AND ACCIDENT EXPERIENCE SHOWN

THE report of the statistical committee given at the annual meeting of the Industrial Insurers Conference at Jacksonville, Fla., last week, giving the combined experience of 20

companies on industrial health and accident insurance, shows that the claim ratio has mounted considerably since 1910. Following are the combined figures for each year from 1910 to 1925;

Year	Premium Income	H. & A. Claims	Percent	Death Claims	Total Claims	
					Percent	Percent
1910	\$ 3,520,331	\$ 1,071,930	30.45	\$ 247,277	7.02	37.47
1911	4,619,675	1,413,285	30.59	334,336	7.24	37.83
1912	5,899,578	1,901,566	32.23	434,091	7.36	39.59
1913	7,447,525	2,368,698	31.68	545,038	7.29	38.97
1914	8,718,845	2,989,705	34.29	697,523	8.00	42.29
1915	9,096,008	3,148,793	34.62	767,121	8.43	43.05
1916	10,707,776	3,539,828	33.06	794,581	7.42	40.48
1917	12,765,259	4,125,848	32.35	1,014,292	7.95	40.27
1918	17,087,286	5,965,130	34.91	1,650,646	9.84	44.75
1919	23,826,034	7,619,178	31.98	1,709,048	7.17	39.15
1920	31,468,410	11,206,344	35.60	2,171,170	6.90	42.50
1921	27,421,079	10,360,851	37.79	1,891,225	6.89	44.68
1922	26,618,444	9,967,114	37.44	1,870,149	7.00	44.44
1923	29,364,306	10,268,502	35.00	2,075,442	7.10	42.10
1924	29,851,244	11,032,612	37.00	2,107,659	7.00	44.00
1925	29,555,409	11,333,520	38.35	2,077,718	7.03	45.38

### Bert Atwater

Bert Atwater, who has represented the Capitol Life in Salt Lake City for the past two years, has been named as Utah manager for the California State Life. Offices have been established at 503 Continental National Bank building.

### Plan Capital Increase

Stockholders of the Missouri State Life at a meeting to be held Jan. 17 will vote on a proposition to increase the company's capital stock from \$2,000,000 to \$3,000,000 by the issuance of 100,000 additional shares of stock of \$10 par value each. The board of directors has recommended the increase, and stockholders of record Nov. 10 will be permitted to vote on the question. If the increased stock is voted it will be

sold to the present stockholders on the basis of one share of new for each two shares of stock held Nov. 10. The capital stock of the Missouri State Life was increased from \$1,000,000 to \$2,000,000 in 1922 through the declaration of a stock dividend of 100 percent.

### Gem City Life Progress

The Gem City Life of Dayton, O., has recently written several large policies on business men in Ohio. One policy for \$500,000 was recently closed on a Dayton business man and another for \$200,000 on a man living in Akron.

The Gem City is making splendid progress this year having increased its insurance force by \$3,000,000. It is also making substantial increases in assets and surplus.

## PROTECTION-HUNGER

SEVEN-TENTHS of the families in America are dependent on wages, and the fathers and mothers live in constant dread of sickness, injury, unemployment, impoverished old age, and premature death. That they hunger for protection from these calamities is proclaimed by the billions of industrial insurance in force.

Those who are hard pressed, especially, realize that insurance has developed into something more than mere indemnity. With its nurses dotting the country, its safety engineers removing the dangers to life and limb, its medical men and welfare workers steadily extending the lifespan insurance is now in very truth, protection. And so, for the wage earner, it is neither a luxury nor even a debatable purchase; it is a vital want. The institution that enables him to meet that want, renders him a valuable service.

## METROPOLITAN LIFE INSURANCE COMPANY

Frederick H. Ecker, Vice-President

Haley Fiske, President

LOUISIANA  
STATE LIFE  
Insurance Company  
HOME OFFICE  
SHREVEPORT, LA.

WHY NOT BECOME A GENERAL AGENT?

Many successful agents outgrow their present duties, and continue as sub-agents only because no opportunity is given for promotion.

In the states of Alabama, Arkansas, Louisiana, Oklahoma and Texas, we offer to well qualified agents, liberal General Agency contracts with choice of splendid locations.

Your communication will be received and treated with confidence.

IRA F. ARCHER  
Superintendent of Agencies



99%

Of all applications accepted. Would these facilities for placing insurance interest you?

Our 1925 experience:

Policies issued as applied for, more than 93%.

Policies issued on modified basis, 5%.

Actual rejections, less than 1 1/4%.

Many of the 1 1/4% rejections can now be written on the Company's Personal Life Income policy for rejected risks, bringing acceptances up to 99%.

Actual to expected mortality, 39%.



General Agent Wanted for Pittsburgh, Pa.  
Other good openings. For information address:

The Ohio National Life  
Insurance Company  
CINCINNATI, OHIO

T. W. Appleby  
President

E. E. Kirkpatrick  
Sup't of Agents

MUTUAL TRUST LIFE ANALYZES ITS  
RETURNS ON POLICYHOLDERS' MONTH

THE Mutual Trust Life has completed an analysis of the returns on its policyholders' month which produced a record October business this year, the total for that month showing an increase of 62 percent in paid business over the same month of 1925. During that month every policyholder in the company was circularized by the company to prepare the way for the agent to make a personal call. Enclosed in the letter to the policyholder was a questionnaire which the latter might send direct to the home office if he chose.

Received Many Inquiries

The number that did this was surprising and the company analyzed the result of these inquiries. They were sent to the company although the policyholders were informed that even if they did not fill in the questionnaire some agent of the company would call on them during the month to go over their old policies. The flood of inquiries indicated that the policyholders were actually interested in specific phases of life insurance and wished direct information without any question of delay. The result showed that 20 percent of the policyholders desired information regarding a disability income feature and, what was most surprising, 44 percent desired information regarding additional insurance. The nature of the inquiries sent to the home office is shown by the following table of percentages:

Nature of Inquiry	%
Change of Name or Address	10
Change of Beneficiary	8
Replacement of Lost Policy	6
Change to Monthly Income Plan of Settlement	3
Change of Annual Method of Paying Premiums	5
Reduction of Loan on Policy	7

Disability Income Feature..... 20  
Reinstatement of Lapsed Policy..... 1  
Conversion of Term Insurance..... 2  
Information on Additional Insurance. 44

Answered Definite Questions

In these returns it was particularly surprising to the company that 44 percent wanted information concerning additional insurance, as there was no place on the questionnaire for such an item. Several definite problems that confront the average person were suggested, however, so that the returns on those questions gave an indication of what the army of policyholders is considering in regard to its life insurance. The company found that in following up the questionnaires and analyzing the needs of the policyholders 30 percent inquired about life insurance program to pay off a mortgage or some other debt. The replies show 22 percent desiring information regarding an old age income for themselves; 13 percent were interested in the education of children; 13 percent in business or partnership protection and 12 percent in monthly income for wife or children. The table of percentages on the various specific problems listed in the questionnaire is given as follows:

Problems Suggested	%
Pay off a Mortgage or Other Debts..	30
Educate Your Children.....	13
Pay Inheritance Taxes.....	4
Protect a Business or Partnership...	13
Protect Employees .....	6
Provide Monthly Income for Wife or Child .....	12
Provide an Old Age Income for Yourself .....	22

The Mutual Trust Life was more than satisfied with its policyholders' month, as it not only shaped up the policies of the company's policyholders, but it added appreciably to the business for the month as shown by the 62 percent increase in paid business.

ADAMS AND LYNCH TO SPEAK

Good Program Planned for New York Association—Committee on Business Practices Active

NEW YORK, Nov. 24.—While the program has not yet been announced, unless present arrangements are changed, the speakers at the December meeting of the New York Association of Life Underwriters will be Judge Lynch of Westchester County, recently appointed justice of the state supreme bench, and Secretary Clairs Adams of the American Life Convention, who will be here at the time attending the convention of the Life Presidents Association.

The association is also planning a special luncheon to be given here soon to the presidents of all the women's clubs in the state. The purpose is to make definite arrangements to have some life insurance expert speak before at least one of the meetings of every club this year. The speakers at the luncheon will probably include P. M. Fraser of the Connecticut Mutual, J. Elliott Hall of the Penn Mutual and Vincent B. Coffin, director of the life insurance training course at New York University.

The past week the association's committee on business practices has been quite busy, presenting the case of three men to Superintendent Beha, who revoked their licenses. Complaints had been lodged against all three of them before. All warnings issued at that time had been disregarded. In the present action they were charged with misrepresentation in circular letters sent to prospects, offering insurance at a premium cost less than that in the rate books, which created a reasonable suspicion that they intended to split commissions or make rebates of some kind.

Dwight H. Sayward

The John Hancock Mutual has appointed Dwight H. Sayward of Port-

land, Me., as assistant general agent. He has been a soliciting agent at Portland. His father is a general agent.

Will Be Station WLAC

The call letters WLAC have been assigned to the new radio broadcasting station to be operated by the Life & Casualty of Nashville, which will give its first program on the air the evening of Nov. 24.

Bankers' Reserve in Massachusetts

The Bankers' Reserve of Omaha, has been licensed in Massachusetts and has appointed Harry G. White of Boston as its state agent.

Life Notes

"Aetna Life Night" was observed by Orient Lodge, A. F. & A. M. of East Hartford last week, when every one of the stations was filled by Aetna men, with Harold B. Cotton of the Aetna Life presiding as past master.

Headquarters of the Waterloo, Ia., branch of the Central Life of Iowa have been moved from the Commercial building to the Paul Davis building. J. T. Dahlstrom is general agent.

The Beardsley-Wright company of Council Bluffs, Ia., has purchased the insurance interests of the James Hunter Company of that city. J. W. Beardsley, senior partner, will have charge of life business while Everett N. Wright, junior partner, will look after fire and casualty lines.

Fred A. McAloon, general agent at Richmond, Va., for the State Life of Indiana, was convicted there last week of involuntary manslaughter in connection with the death of a man with whom he had a fight in a hotel. The man died several hours after the fight and it was charged that injuries inflicted by McAloon resulted in his death. McAloon was given 12 months in jail.

B. L. Holton and his son, G. R. Holton, both of whom have been doing independent insurance business in Waterloo, Ia., have consolidated their interests and have opened the new Holton Insurance Agency in that city. Offices are in the Waterloo Savings Bank building. The senior Holton will continue to represent the Penn Mutual Life, while the son will specialize in fire and casualty business.

## IMPORTANT DECISION FOR H. & A. BUSINESS

Nashville Case Involves Basic Principles of Disability Insurance

### VITAL TO UNDERWRITERS

Holds Company for Commuted Value of Accident Policy, Based on Life Expectancy

One of the most important cases that has ever come before health and accident underwriters is now before the United States supreme court on final appeal for a rehearing, the court thus far having held against the company in a \$21,519 judgment. This case, Jennie M. Rasco vs. Federal Life, strikes at the very foundation of health and accident underwriting and also at the present method of claim adjustment. If it stands as precedent, the companies will face a situation which will demand immediate revision in underwriting practices, both under disability insurance and the disability clause of life insurance policies.

The decision grants the claimant a \$2,000 judgment on the basis of the amount that would be paid at the \$25 weekly rate during her life expectancy. It first holds the company liable under a law case, for full damages from the violation of a contract, though the company gave evidence to uphold its denial of liability. The court then held the company, not liable to pay \$25 weekly for life, but liable for a flat amount estimated as the total that would be paid should the claimant live her full life expectancy. This undermines the underwriting principles of disability insurance and is in danger of standing as precedent which the United States supreme court will not consider.

#### Long in Court

The case arose in 1923 when the policyholder in Nashville, Tenn., brought suit in the chancery suit to recover weekly indemnity of \$25 per week while totally disabled, to meet, as alleged in the bill, "derelictions and misconduct of defendant." The suit was removed to the United States district court and there the Federal Life answered the bill, stating that the respondent was entitled to indemnity under proper proof of disability and that the company had paid to the respondent indemnity, including hospital expenses, for a period from May 16, 1922, to Jan. 2, 1923. The company denied, however, that the respondent was totally disabled beyond that period. The case then rested until February of 1925, when it was moved on the appeal of the respondent from the equity side of the docket to the law side. It was asked that the pleading be amended so as to convert the action in equity for a recovery on and under the contract into an action at law for damages for its breach, alleging in the amendment that the respondent "will continue to be so totally disabled as aforesaid for and during the rest of her natural life" and that the company had renounced, rejected, repudiated, breached and abandoned its contract of insurance. The counsel for the company objected to this motion which was in effect the filing of a new suit, pointing out that no notice had been given of the new suit and counsel had not had an opportunity to prepare an answer for a law case, having drawn up its presentation on the basis of an equity suit. The objection was overruled, however, and the case proceeded.

#### Unprecedented Procedure

During the trial a procedure was taken which led to the final result and which,

if allowed to stand, will place health and accident insurance companies in a serious position in the future. Evidence was presented by the respondent for the purpose of showing that the expectancy of life of the respondent at the time was 21.63 years. This was attempted to be proved by a local soliciting agent, who was asked to refer to the life expectancy of a person 49 years of age, according to the mortality table used by the company. The witness made a calculation of the age and also of the sum total of weekly indemnities at \$25 for the 21.63 years. The gross amount was \$28,000. It was further testified that a policy written in a form to pay \$28,000 in monthly installments at \$25 per week would be paid in cash in a total of \$21,518.98. The witness pointed out that these figures were based wholly upon a policy of life insurance that had matured and the proceeds of which were payable to beneficiaries in installments, emphasizing the fact that the company has no such cases on its books. Furthermore, the testimony was based wholly upon the hypothesis that the respondent was in sound health.

#### Held Against Company

Counsel for the company attempted to show that testimony regarding the life expectancy was incompetent because the plaintiff was not in sound health, evidence having been presented by plaintiff, in an attempt to definitely prove permanent and totally disability. The court handed down a judgment in favor of the plaintiff for \$21,519, however, and denied a petition for a new trial. In May, 1925, an appeal was made to the United States circuit court of appeals, which affirmed the judgment of the district court. A petition for a writ of certiorari was then filed with the United States supreme court, but this was denied and the company has now taken the final step, having filed a petition for a rehearing of the petition for the writ of certiorari. Should the court refuse to grant this and the case stand as precedent in the United States supreme court, it will raise a vital question as to the future operation of claim departments. The health and accident companies will be in a position where they will hesitate to question claimants, as with this as precedent the claimants may go into court and secure a judgment in spite of the denial of liability and, what is more important, they may commute the policies to cash on the basis of total and permanent disability, regardless of the fact that death or recovery may be experienced at any time during the period of normal expectancy.

#### Cite Many Errors

In the appeal to the United States supreme court, Walter H. Eckert and James C. Jones of the general counsel of the company have cited some 11 points which they believe basic reason why a rehearing should be granted. It is pointed out that the decision allowing the amendment of the original bill by substituting a new distinct and inconsistent cause of action was erroneous. It is contended that the court was in error in overruling the company's motion for a continuance after the amendment to respondent's complaint. It is contended that the decision that a refusal of the petitioner to continue to pay weekly indemnity was a breach of the contract of insurance and that the proper measure of damages in such a case is the aggregate amount of these payments during the respondent's life, is erroneous and in conflict with supreme court decision. It is pointed out that the supreme court has held that the proper measure of damages for the failure of an insurance company to pay indemnity under a contract of insurance was legal interest. The finding of the court of appeals that there was no special or separate findings of facts under the decisions of this court was held to be erroneous. The majority opinion of the court of appeals held that the requirement on the respondent to furnish proofs of continuing disability every 30 days as a condition

(CONTINUED ON PAGE 30)

## Strengthening the Sales Talk

INSURANCE Salesmen have long realized the value of pictures and charts to illustrate their sales arguments. The message is carried quickly to the brain and the impression is lasting. For this reason, The Aetna "Individual Presentation" is of inestimable value to Aetna salesmen in closing sales.

The cover is dark blue and there are various inside sheets—some with illustrations and charts, others left blank for the agent's typewritten program. The great feature of the presentation is that it is designed so that the individual case can be fully presented.

S. T. WHATLEY  
General Agent

Aetna Life Insurance Company  
Suite 2043—230 S. Clark Street  
CHICAGO, ILLINOIS

## CREATING CONFIDENCE

The Midland Mutual enjoys the full confidence of its policyholders and agents because it has always endeavored to be fair in its treatment of both. Here are a few examples:

1. Returned all extra war premiums voluntarily.
2. Never contested or compromised a death claim.
3. Paid every war claim in full although not obligated to do so.
4. Equalized the net premium cost to all old policyholders when dividends were increased.
5. Has paid two extra dividends and will pay other as surplus funds are available.

Are you looking for an ideal company?  
Address J. A. Hawkins, Manager of Agencies

*The*  
**MIDLAND MUTUAL LIFE  
INSURANCE COMPANY**  
COLUMBUS, OHIO

"Its Performances Exceed Its Promises"

## Christmas and Employe Gifts

With the approach of the Christmas holidays, Executives are giving thought to plans for employee recognition.

What better for this purpose that GROUP LIFE INSURANCE? A permanent benefit to employees and their families.

The cost is surprisingly low.

The facilities of this company in GROUP INSURANCE always at your service.

Address Inquiry Bureau, 197 Clarendon Street, Boston, Mass.

A Strong Company over Sixty Years in Business.  
Insurance in Force of \$2,400,000,000.  
Liberal as to Contract.  
Safe and Secure in Every Way.



## THE COLUMBIAN NATIONAL LIFE INSURANCE COMPANY

BOSTON, MASSACHUSETTS

Arthur E. Childs, President

Columbian National Agents can offer the best in  
**LIFE, ACCIDENT, AND HEALTH INSURANCE**

Columbian National Policies make selling easier

Policies backed by one of the very strongest companies in the country, having ample capital, surplus and highest standard of reserves. Exceptional opportunity is offered to salesmen of character and ability. Communicate at once with  
AGENCY DEPARTMENT,  
77 Franklin Street, Boston.

## AGENTS WANTED

If you are interested in long renewals and unexcelled "Home Office Helps", communicate in confidence.

**A. C. LOVELL**  
3719 Washington Ave. St. Louis, Missouri

## AS SEEN FROM NEW YORK

BY G. F. WILLISON

### CANADA LIFE OPENS OFFICE

The Canada Life, which recently applied for and obtained a New York license, will probably begin writing business here within a week or two. At the present Assistant Treasurer L. R. Young is busily engaged in setting up housekeeping, as it were, at 110 William street, where the company has taken offices. When General Manager T. G. McConkey was last here a few weeks ago, he expressed a doubt as to whether a local manager would be appointed before the first of the year. In the meantime it is probable a secretary will be put in charge of the agency until the definite appointment of a manager is made.

### REMARK IS CRYPTIC

Said a nationally-known underwriter recently: "Either a man is honest or he is not honest. He cannot be more honest or less honest." The remark came out of a clear sky so that it would be difficult to say whether he was obliquely referring to twisting and the hiring of part-time agents, evils that are again to the fore here, or whether he was thinking in the back of his mind of another kettle of fish entirely. But whether he was or wasn't, he would seem to have the truth on his side.

### PART-TIME AGENCY ISSUE

As announced last week, the executive committee of the New York Life Underwriters Association has sent out to the 300 or more general agents in Greater New York a series of resolutions against part-time agents with the request for their signatures as a pledge that they not only approve the principles in theory but intend to follow them in practice. In substance these resolutions, which were originally passed in 1921, stipulate (1) that no association member hereafter shall make or cause to be made any new application for license for any person who does not honestly intend to engage exclusively and entirely in the insurance business within 2 years, (2) that general agents will make it plain to all persons they license that they will be required to produce insurance on at least 5 lives during their first year and on at least 8 lives during their second year and that failing in this their licenses will not be renewed, and (3) that great care and diligence be exercised to see that all applications are filled out completely and honestly. The practical effect of these resolutions is to make it impossible for any person to remain a part-timer for longer than 2 years. Two copies of these resolutions were sent out last week to every manager, general agent, agency director and superintendent in the metropolitan district by Secretary F. P. McKenzie. Dozens of general agents have responded with alacrity, but it is still too early to judge what the final reckoning will be.

### PROBLEM OF GETTING RECRUITS

General agents and managers struggling with the difficult problem of obtaining desirable new recruits will find much of interest and profit in the remarks made before a meeting of the Casualty Actuarial Society by Secretary C. G. Hallowell of the Aetna Life. In the Aetna casualty and surety training schools the great majority of men are college graduates, he said, adding that many good men were obtained through references given by other employees of the company but that very few were discovered through unsolicited applications for employment. He declared that excellent results had been obtained in recruiting likely college graduates by use of the following system:

For the past 2 years the Aetna has sent out 2 supervisors along in March to visit a number of colleges and get

in touch with the graduating class through the vocational department of each college. The two supervisors, acting as a check upon one another, interview all men who express an interest in the insurance business as a career. When they agree upon the character and capacity of any man, they have full power to arrange for his immediate employment. He is then enrolled in the casualty and surety training school which opens in July—an excellent arrangement, allowing the man a short vacation before he begins his post-graduate course. He enters that course, however, before he has lost the habit of concentrated study.

Last spring the supervisors interviewed between 300 and 400 men at various colleges. Applications were given to about 65 of them. Out of these the company finally selected 42 representing 28 colleges. Mr. Hallowell concluded with the interesting comment that the majority of those selected had earned at least 50 percent of their expenses through college. In other words, most of them had had some previous business experience of some kind, even if it was only pearl diving in the kitchen sink.

\* \* \*

### MUTUAL BENEFITS PURCHASE

President John R. Hardin of the Mutual Benefit announces that his company has just purchased the property of the Mt. Pleasant Baptist Church, Newark, which stands on Belleville avenue next door to the Mutual Benefit's new home office building which is rapidly nearing completion. The church will be torn down and the ground kept clear adjoining the handsome new stone structure. In the entire block bounded by Belleville Avenue, Second Avenue, Summer Avenue and VonWagenen Street the company now owns all property except that occupied by the Foster Home and the Second Avenue School. Doubtless President Hardin already visualizes the not too distant day when even the new home office building will be found too small for the company's needs.

\* \* \*

### CAUSE OF THE GREAT GROWTH

Much speculation has been indulged in on every side to account for the enormous growth of life insurance, particularly in the past two decades. It is the opinion of at least one profound student and leading executive of the business that the phenomenal growth has been due almost entirely to the fundamental soundness of the institution of life insurance that it has grown in spite of and not because of the selling methods almost universally employed.

\* \* \*

### SHOULD PROVIDE A BACKGROUND

The object in training agents in life insurance fundamentals, according to William Alexander, secretary of the Equitable of New York and the dean of life insurance educators, is not to provide the agent with an excuse to unload all he knows about the subject upon his client to the latter's utter confusion and consternation. Rather, it is to provide a background to convince the client that the agent is not only willing but competent to advise and protect him in buying insurance of the right kind and in the proper amount. To the long list of his widely read books Mr. Alexander recently added a primer on life insurance for use in the grade schools.

\* \* \*

### WRITE IT RIGHT FOR ASSURED

"First—always first and paramount—write it right for the insured! Then think of your record and of the company." Was there ever sounder advice than the foregoing which was given to the field forces of the Mutual Life of New York last month by Vice-President George K. Sargent? He added, "The care you exercise in the first

great consideration of your work—proper protection for your clients—will open the way for a personal professional satisfaction and a just recompense."

#### BELONG TO INVESTOR CLASS

More than 15,000,000 persons in this country now belong to the investor class as owners of corporation shares or stocks, according to a recent estimate of experts in the financial district here. This figure indicates the enormous growth of the investor class during the past decade—a remarkable growth largely due to the increasing number of employees who now invest in the securities of their own corporations. From the standpoint of the life insurance man, each and every one of these 15,000,000 persons is a live prospect. As most of them are of very moderate means, owning only a few shares apiece, they cannot hope to build up an adequate estate to leave their families by stock purchases. If they can afford to speculate in stocks—all investing in stocks is more or less speculation—it is difficult to understand how they can afford to be without a reasonable amount of life insurance protection.

#### DUFFIELD ON COMMITTEE

President Edward D. Duffield of the Prudential is one of the leaders of the National Laymen's Committee of the Presbyterian Church of the United States, which on Dec. 3, opens its drive to raise \$15,000,000 for the establishment of an actuarially sound service pension plan. The campaign will be directed by Will H. Hays, former Postmaster General and present movie czar, who is chairman of the committee, which includes such prominent national figures as Samuel Rea, former president of the Pennsylvania Railroad, former Governor Oliver H. Shoup of Colorado, Richard B. Mellon of the famous Mellon Banks of Pittsburgh, nephew of Secretary Mellon, and Alba B. Johnson, president of the Pennsylvania State Chamber of Commerce and former president of

the Baldwin Locomotive Works, who just last week was elected a member of the board of the Independence Indemnity and Independence Fire of Philadelphia. The purpose of the service pension plan is to provide a minimum annual pension of \$600 and a maximum pension of \$2,000 for all ministers and workers in the Presbyterian Church.

#### GARDINER AGENCY'S RECORD

Harry Gardiner of the John Hancock is receiving bundles of congratulations from friends in the city and friendly enemies in the business on the feat of his agency which on Nov. 11 passed its quota of \$7,000,000 paid-for business set by the company for the year. Indications here are that this New Year's eve will be a rather sober one for many leading general agents if their good spirits depend upon success in passing or even reaching their quota mark.

The Westchester-Rockland branch of the Hart & Eubank agency of the Aetna Life entertained at a dinner last week at the City Club, Yonkers, which was attended by many members of the main office downtown. The branch was established about a year ago and put in charge of Supervisor Raymond E. Goewey, formerly of the home office auditing department of the Aetna. In about 12 months' time the branch has written and paid for more than \$2,000,000. Besides Messrs. Hart and Eubank, the speakers at the dinner were Supervisor Goewey, Matthew D. Foley and Leslie D. Briant, the leading producer of the Westchester office.

#### EUBANK BACKS NAVY

True to his old love, the navy, in which he served with distinction, "Jerry" Eubank plans to attend the Army-Navy classic in Chicago Saturday. He has laid aside the commissions on a few large policies and says he is ready to invest heavily in the folly of those who doubt the capacity of the gob-herders to flay the skin off the bristly necks of the dough-boy drivers.

## CHANGES ANNOUNCED

### NEW DIVIDEND SCALES OUT

#### Companies About Evenly Divided Between Proposed Increases and Continuation of Present Schedule

The preliminary announcements of 1927 dividends given by life companies show the field about evenly divided between increases and a continuance of this year's schedule, with a slight majority proposing no increase. The reports have not yet been made in any great number, but the preliminary announcements indicate the field about evenly divided on this question.

#### Companies Make Announcements

Among the companies which have thus far announced definite increases in dividends for 1927 are the following: Columbus Mutual Life, International Life of Missouri, State Mutual Life, State Life of Indiana, LaFayette Life, Federal Life of Chicago, Great West Life of Canada.

Among the companies which have definitely announced that there will be no change in the dividend schedule for the coming year are: Jefferson Standard Life, Minnesota Mutual Life, Central Life of Iowa, Toledo Travelers, Union Central Life, Columbia Life of Ohio, Peoria Life, George Washington Life.

#### Date of Actuaries Meeting

The next meeting of the American Institute of Actuaries will be held June 2-3 at Toronto, Can., the King Edward hotel being the official headquarters. There has been a steadily increasing percentage of Canadians in the membership of the institute. The president is J. G. Parker, actuary of the Imperial

Life of Toronto. This meeting will be the first one of the organization to be held in Canada.

#### Two Supervisors Named

General Agent W. M. Houze of the John Hancock Mutual Life in Chicago has appointed two agency supervisors. The supervisor in charge of agents is Francis P. Beiriger. The superintendent in charge of brokers is C. F. Schuster. Both these men have been with the agency for over a year and were trained as soliciting agents.

#### American National

The American National of St. Louis has added a new juvenile limited payment life policy with premiums payable for 20 years. The policy provides for insurance on the lives of children from one year to nine years of age. Under the policy the insurance liability if the child is one year of age is \$200, increasing \$200 each year until it reaches \$1,000 the fifth year and remains that amount during subsequent years. If the child is five years of age there is full immediate coverage. The policy also carries a disability clause. For a small additional premium there is also a special disability insurance benefit on the life of the parent or applicant.

#### Life Notes

E. C. Hildebrand has been placed in charge of the loan department of the Michigan Mutual Life Insurance Company at Columbus, O. He succeeds the late J. H. Moore, having assumed the duties when Mr. Moore was first stricken with illness.

E. E. Lininger, who has had a number of years of sales experience, has joined the forces of the National Equity Life of Little Rock, Ark. Mr. Lininger is one of several new men put in the field by C. E. Lowry, president and manager of the company.

A. E. Mielens, general agent in Wisconsin and Upper Michigan for the Aetna Life, has announced the appointment of Herman C. Zander and George M. Blackburn as joint district agents at Rhinelander, Wis., where they will handle life, accident and group lines for the company.

## GROWING and SATISFYING

The Equitable Life of Iowa has increased its paid-for production for the first ten months of 1926 over the same period in 1925 by 30.8%.

The acid test of the satisfaction of policyholders is based on repetition of sales. The Equitable Life of Iowa, in spite of a large increase in new production, has written 32.8% of all new paid-for business during the first ten months of the year on the lives of old policyholders.

The Equitable Life of Iowa offers its agents unusual opportunities to develop a clientele that will buy additional life insurance from year to year.

*Men desiring contracts with a progressive helpful company write to Agency Department*

## EQUITABLE LIFE INSURANCE COMPANY OF IOWA



Equitable Life of Iowa Building - Des Moines  
Iowa's Tallest Office Building

Founded: 1867

Home Office: Des Moines

## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Gen'l Mgr.; H. E. WRIGHT and NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern Manager; GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers.

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### The Agents' Responsibility

THE life insurance agency forces, the rate book carriers, the men in the field can take heart from the numerous recent pronouncements of company officials regarding the function of the agent in the development of the various phases of business. They can take heart and also give serious consideration to this thought, as it carries with it a new and increased responsibility in the stabilizing of the business.

All through the recent convention of the AMERICAN INSTITUTE OF ACTUARIES the discussions of the various phases of the business now puzzling the home offices were found to be problems the solution for which rests solely with the man in the field. Again the ASSOCIATION OF LIFE AGENCY OFFICERS wound up discussion after discussion with the finding that the final solution can only be found by going directly to the rate book carrier. When the annual meeting of the LIFE INSURANCE SALES RESEARCH BUREAU was held, again the agent was the man upon whose shoulders the responsibility for definite improvement and stabilization of the business was placed.

In the case of the development of the optional forms of settlement, now seen as one of the most important factors in the future development of the business, the agent is the only man in contact with the policyholder and the only man who can sell the value and need of the optional settlement. In the case of the life insurance trust it is the agent who is the judge of where the border line is to be found between trust company functions and life insurance functions. Through the discussion of all of these sessions the company officials did not hesitate to admit that these and many others were problems that must be handled entirely by the agents, the companies being able to guide the final results only through improved selection and training of the agency forces. It is nothing new, of course, but it is a striking demonstration, coming thus grouped, of the vital part the agent holds in the life insurance structure—and of his responsibility in fulfilling this obligation to all parties to the relationship, public, company and self. It is a clear picture of the agent's position.

### Startling Figures

In his speech before the CHICAGO ASSOCIATION OF LIFE UNDERWRITERS last week, JOHN M. HOLCOMBE, manager of the LIFE INSURANCE SALES RESEARCH BUREAU, made the disturbing statement that 60,000 men leave the life insurance business every year. As there are only some 200,000 life insurance men in the country, this is a startling, if not a disastrous rate of turnover. Mr. HOLCOMBE pointed out that this was one of the greatest handicaps the business encounters, as these 60,000 men are potential sales destroyers, and this ever-increasing army of ex-agents, mixing with the public with their disgruntled viewpoint, can do no good and may do much harm to the business in general. These figures given by Mr. HOLCOMBE, whose

office doubtless has the most authoritative statistical analysis of the business, offers to the managerial ranks of the business an urgent appeal for action. The managers and general agents who have the duty of selection of new men are the ones on whom the responsibility for this high rate of turnover must rest. Improper selection is, in most cases, the cause of these men leaving the business. While the agent who is inferior is a failure because of his own shortcomings, the manager, in most cases, has not measured up to the standards of the business. He has not raised the standards of his business if he has not exerted every effort to ferret out the majority of these failures before actually putting them into the field with a rate book.

### When Does One Grow Old?

HARRY COLLINS SPILLMAN of New York City, educational director of the REMINGTON TYPEWRITER COMPANY, in his talk before the casualty convention at White Sulphur Springs said that a man at his age was naturally curious and even solicitous at just about what time he would begin to grow old and slow down. He said that he consulted the experts at the LIFE EXTENSION INSTITUTE

and had also made inquiry of eminent physicians and psychologists.

He had found no convincing answer. However he did run across what in his mind solved the problem in the book of Jonah in the Bible. He said that in one of the passages it spoke of the young men seeing visions and the old men dreaming dreams. In other words when a man begins to dream in the past and

cast his eye backwards he starts to grow old. Visions have only to do with the future. The man who looks ahead, keeps an alert imagination and a hopeful outlook on life is always young. Mr. SPILLMAN advised his hearers not to develop hardening of the arteries so far

as mental faculties are concerned. The business man who is wide awake, is doing some original and constructive thinking about his own problems and who is always preparing for the future will have little trouble keeping far ahead of old age.

### PERSONAL GLIMPSES OF LIFE UNDERWRITERS

Andrew D. Christian, counsel for the Atlantic Life and chairman of the legal section of the American Life Convention, knocked off from work the other day and hied himself to the marshes of Tidewater, Virginia. On the trip he bagged several fine specimens of wild blue geese.

During the 17 years that W. J. Behrens has represented the Missouri State Life as general agent at Abilene, Tex., he has never failed to enclose check in payment with each application submitted. As a result he is familiarly known at the home offices and by most of his fellow agents in the field as "Cash with Application Behrens." His record is both unique and exceptional.

Mr. Behrens joined the Missouri State Life's organization in 1909, and recently celebrated his 66th birthday. He is a native of Primrose, Ia., and spent the early part of his life on a farm. As a young man he engaged in the hardware business and met with splendid success until in 1906, when on account of failing health, he was forced to sell out and seek a different climate. He went to west Texas, settling in Abilene. In 1909 he organized the insurance agency of which he is still the active head. The agency writes upwards of \$2,500,000 annually. He is also trustee of Simmons College, a deacon in the Baptist church and a stockholder in several banks.

William M. Furey, general agent for the Berkshire Life in Pittsburgh, and past president of the Insurance Federation of Pennsylvania, was given a dinner by his agency staff on Nov. 20 to celebrate his 40th anniversary with the Berkshire Life. Fred H. Rhodes, president of the Berkshire, and J. M. Williams, supervisor of agencies, attended from the home office of the company, to lend their voices to the congratulations of the staff.

F. M. Walsh of Detroit, general agent for the Reliance Life in that city, is rounding out his 13th year of service. Mr. Walsh evidently does not believe that 13 is an unlucky number as he bids fair to make 1926 one of his biggest years in the business and will undoubtedly be an officer again in one of his company's clubs. He is second vice-president of this year's \$500,000 Club. His paid business in 1925 was \$645,800 personal production.

The State Life bulletin features on its front page in the November issue, Mrs. S. J. Rosenblatt of Chicago, wife of the Chicago manager, who for a long time has been the leading producer of the company and whose photograph therefore has illuminated the front page frequently. In fact, Mr. Rosenblatt's cut was about worn out from frequent use. The State Life asked him for a new photograph. Instead he sent a photograph of Mrs. Rosenblatt. He asked that her cut be on the front page, because back of Mr. Rosenblatt has always been in his business the constant and unfailing support of Mrs. Rosenblatt. He pays this tribute to his wife:

"Throughout the years that my photograph has appeared in the Bulletin and in other publications as one of the leading life insurance salesmen of the country; during the entire time that congratulations and words of commendation have come to me at conventions and other meetings of life underwriters: I have realized that much of the credit should have gone to my 'life partner' instead of all being given to me. In the

earlier years of my work when life insurance was not so well understood there were 'days that were dark and dreary,' but Mrs. Rosenblatt brightened every one of them with the sunshine of her smile. When I was discouraged she encouraged and helped me to carry on. She realized that persuading the public to purchase life insurance was a great work.

"Our three boys were children then. But time has hurried along and now all three of our sons have won distinction in the service of the great State Life. Each was encouraged and helped by the same smile and the same personality that means so much to me. So instead of a new photograph of the leader for October I am happy to send you the photograph of the leader of leaders—the wife and the mother—Mrs. S. J. Rosenblatt."

Manager Joseph N. Lockwood of the Guardian Life in Boston is receiving the congratulations of his friends on the birth of a daughter, Sally Ann Lockwood. Mr. Lockwood, who opened up the Boston office of the Guardian Life a few months ago in Boston, has won for himself very favorable recognition from the Boston life men.

Elizabeth S. Scott, wife of James Stanley Scott, actuary of the life department of the Travelers, died at their home in Hartford last week.

Travis Jackson, captain of the New York National League baseball team, who was formerly a resident of Waldo, Ark., has become a member of the sales force of the Mutual Life of New York, attached to the agency of John H. Greene of Hope, Ark.

W. Douglas Foster, formerly branch manager of the Ohio Casualty at Detroit, and latterly special agent of the Indemnity Insurance Company of North America at Chicago, has joined the staff of the group department of the Sun Life of Canada at Detroit. Mr. Foster has had a very successful career as special agent in casualty lines. Another recent addition to the staff of group specialists at Detroit is D. A. MacInnes, formerly with the Missouri State Life as special agent.

Sidney A. Foster, secretary and general manager of the Royal Union Life prior to its purchase by the State Life, is now devoting much of his time to soliciting financial aid for the Iowa Children's Home throughout Iowa. He spent a part of last year in Florida.

C. A. Pelton, general agent of the Northwestern Mutual Life at Binghamton, N. Y., died recently. Mr. Pelton had been a general agent for the company for the past 38 years. His first contract was dated Sept. 11, 1888, and a brief time before that he had been a representative of the company in the territory adjacent to the field which was later entrusted to him. He was president of the Life Underwriters Association of Binghamton at the time of his death and was a member of the Rotary Club. He was born and reared in Baldwinsville, N. Y., where he was buried.

The many friends of Mr. and Mrs. Crawford A. Easterling will be grieved to learn of the death of their daughter, Jean, who was 11 months old. Mr. Easterling is manager of the Nashville, Tenn., branch office of the Missouri State Life.

## LIFE AGENCY CHANGES

## SEELY &amp; CO. GENERAL AGENTS

Big Pacific Coast Fire and Casualty Office Will Represent State Life in State of Washington

Appointment of Seely & Co., Pacific Coast general agency firm representing several fire and casualty companies, as Washington general agents for the Missouri State Life, was announced during the week by John J. Moriarity, vice-president of the company, who completed the contract at the head office of Seely & Co. at Seattle.

Herbert F. Hull, formerly with the Guernsey-Newton Company of Seattle in its life department, has been placed in charge of the new department.

Seely & Co. is the largest general agency in the northwest, and maintains offices at Portland, San Francisco and Los Angeles. At the present time the life activities will be confined to the state of Washington, and the agency later will establish life facilities in the other offices.

## DRATZ IS MADE PRESIDENT

Becomes Head of the Agency of the American Central Life at Muskegon, Mich.

With the appointment of J. Arthur Dratz as district manager, the American Central Life is prepared to begin active organizational work in Muskegon, Mich., contemplating the establishment of a strong corps of producers under the leadership of Mr. Dratz.

Mr. Dratz is a native of Muskegon, having been born there on March 1, 1875. He received his common and high school education in the same locality, afterward being graduated from the legal department of the University of Michigan. For 24 years, he held various positions in a large Muskegon department store, operated by him and his brother. He is widely known throughout the entire Wolverine state. His public activities are numerous and highly important. For four years Mr. Dratz has been a commissioner of public works and he is preparing to serve his fifth, having been recently re-elected. He is vice-mayor of Muskegon at present; director of a large local bank, as well as director in a number of other prominent Muskegon firms; president, but not active, of the Muskegon Trust Company; president of the League of Michigan Municipality; treasurer of the Chamber of Commerce, and a county supervisor.

## LOCKYEAR IS MADE MANAGER

Kansas City Life Enters Illinois and Opens Chicago Office, Effective Dec. 1

The Kansas City Life has entered Illinois and has opened a general agency in Chicago under the management of Mark B. Lockyear, the new office to begin operations Dec. 1. Mr. Lockyear is well known in Chicago territory, having been with the Mutual Life of New York for the past five years and having maintained well over \$1,000,000 in new business each year during that period. He has been in the business 33 years, entering it when 21 years old. For 15 years he was manager in Pennsylvania for the Illinois Life. Five years ago he joined the Mutual Life of New York in the Chicago office under Darby A. Day and when Mr. Day left the business joined the R. E. Spaulding agency of that company in Chicago.

In the past year Mr. Lockyear has been concentrating a large part of his efforts on the development of a special bank savings plan which he drew up

## The Second-String Men

A FEW star players do not make a championship football team. A dependable squad of second-string men is necessary. They will be called into play time and again before the season is over.

Star salesmen are not sufficient for a sales organization. There must be the dependable second-string men. Their policies may be smaller and their clients less numerous, but they build substantially and well.

The Home Office energies of The Lincoln National Life are not all thrown into boosting its star salesmen. An earnest effort is made to train every beginner and if he proves to be one of those second-string men he continues to get the same careful attention and helpful cooperation accorded the big writer.

The conscientious way in which the Lincoln National Life supports every man in its field organization makes it pay to

LINK UP WITH THE LINCOLN



## The Lincoln National Life Insurance Company

*"Its Name Indicates Its Character"*

Lincoln Life Building Fort Wayne, Ind.

More Than \$450,000,000 In Force

and has established in a number of banks in northern Illinois. He has over 200 monthly accounts now placed and has an excellent nucleus for the development of this business with the Kansas City Life. He has had a number of men working with him on this plan and thus has developed somewhat of an organization. He will immediately develop an agency organization for the Kansas City Life, opening offices at 713 Conway building, Chicago. Throughout his insurance experience he has made a record not only as an organizer, but as a ranking personal producer, for many years having kept above the \$1,000,000 mark and this year having paid for over \$1,200,000 in the first 11 months. This is the Kansas City Life's first venture into Chicago territory and Mr. Lockyear contemplates immediately establish-

ing it on a basis of \$300,000 monthly at once, starting from that point. The Kansas City Life has \$40,000,000 in admitted assets and \$307,000,000 of insurance in force, writing \$65,000,000,000 annually of new business.

#### Fidelity Mutual Appointments

The Fidelity Mutual announces the appointment of Glenn A. Wilkins as manager at Morrisville, Vt. P. J. O'Hara is made manager at San Diego, Cal. Ralph Webb was appointed manager at Toledo, O. Arthur C. Pearson, takes the Fidelity Mutual at Duluth. George A. Stevens becomes manager at New Albany, Ind. Logan B. Perry, takes the company at Bloomington, Ill., and F. C. Benton becomes manager at Birmingham, Ala.

## EASTERN STATES ACTIVITIES

### KEON WAS AGENCY SPEAKER

Addressed Hart & Eubank Men at Weekly Conference, Urging Conservation of Time

The all-star series of life insurance talks being held here weekly by Hart & Eubank, general agents of the Aetna, was featured this week by John Joseph Keon, who delivered an address entitled, "Danger—Keep Moving." Formerly an agent with the Huff agency here of the Travelers, where he was not only one of the largest personal producers of the agency but also of the company, Mr. Keon recently organized the agency of Keon & Olivia, representing the Equitable Life of Iowa.

"Time is really the most valuable thing we have," said Mr. Keon. "Men in other businesses have things to sell but all we have is time and we have got to make the most of it. Commissions in themselves are very useful but they are not the important thing. If we make \$400 or \$500, the important idea is how long it took us to make it. If it took us six months to make it, that is not so good. The real idea is making money in a definite period of time. You have to set a goal. How much money do you want to make and how much time have you got to make it in? How much life insurance do you have to write to make it? Put yourself on that basis and then go to it. You will be surprised at the results."

"The man who sets out without any definite plan may arrive but the chances are against him. Take these wonderful steamships that sail out here on the river. Do not forget that they leave for a definite port. The captain knows exactly where he is going. He does not say we will go out and try to make a pretty good trip and get somewhere. I wonder how many men say, 'on the first of January, I will be at such and such a place by the end of the year.' I venture to say very few. If you will make up your mind that at a certain time you will be at a certain place, you will get there."

### Question Over Bankrupt's Renewals

Renewal payments due M. Earl Williams, former loan operator, now under sentence to Auburn prison for misuse of funds on a million dollar insurance account built up while an agent in Batavia, N. Y., have become a bone of contention in the bankruptcy affairs of the erstwhile wizard of finance. The Farmers & Traders' Life has \$2,000 due Williams but is withholding payment until the rightful ownership of the money can be decided.

Williams had a contract with the company that is still in effect, calling for 5 percent renewals for ten years. Harry Sessions of Rochester, attorney for Williams, claims that payments occurring since the bankruptcy petition was filed belong to Williams personally.

### HOME FOR BUSINESS WOMEN

Preston House in New York City Is to Be Luxurious and Comfortable Club

NEW YORK, Nov. 24.—A novel departure in building operations in this city and one that is sure to prove the forerunner of similar movements elsewhere throughout the country, is the erection of the Preston House, now in course of completion, which is designed to solve the problem of furnishing attractive and well appointed living quarters for professional and business women at prices within their reach. Located at 351-359 West 42nd street, within a block and a half of Times Square, the structure will be 21 stories in height and



of most attractive architecture. The interior arrangement will be such as to "afford the privacy and comforts of a well-appointed home, the service and practical advantages of a hotel and the luxuries and hospitality of a select club."

In addition to individual rooms and suites, the Preston House will contain "a swimming pool, gymnasium, electric baths, massage tables, showers and a roof garden," as well as a "splendidly equipped library-lounge, ball room and dining hall." Nothing, in fact, will be omitted to make the house an ideal living place for business women. While it will be May 1, 1927, before the structure is wholly ready for occupancy, it is understood that the great majority of the apartments have already been contracted for.

The idea of a model home for business women was conceived by Mrs. Cecile Preston and was born of her recognition of such need when she arrived

in this city from Atlanta a number of years ago. Woman is entering business and professional circles in ever increasing degree and if she is to render maximum service must be comfortably housed after working hours. Around this central thought the Preston House was designed, Mrs. Preston supervising every detail of its development.

### NOTABLE INCREASE IS SHOWN

Massachusetts Savings Bank Life Insurance Now Totals \$43,500,000 in Force, According to Report

BOSTON, Nov. 23.—The Massachusetts savings bank life insurance division of the state insurance department reports that the total amount of business now in force exceeds \$43,500,000. This means that the business of this insurance department of the savings banks has more than doubled during the past four years. The premium income for the fiscal year ending Oct. 31 last amounted to \$1,370,574. The death claims paid during the year amounted to \$202,038. During the year dividends have been paid to policyholders amounting to \$357,417. There are 105 banks throughout the state identified with the system. Of these, ten savings banks have established insurance departments, so that it is now possible for any one person to be insured for a maximum of \$10,000.

Eighteen years have elapsed since the first policy was written under this plan in Massachusetts and during that period nearly \$7,500,000 have been received from policyholders as premiums. Income from investments has exceeded \$1,000,000. Death claims have been paid totaling more than \$1,000,000; dividends paid to policyholders have amounted to \$1,710,876; cash surrender values paid to policyholders have amounted to \$413,961. The savings banks also write employees' group under a blanket policy, covering not less than 50 employees, and deferred annuities and immediate annuities.

### J. C. Bond Surrenders

John C. Bond, former state auditor and ex-officio insurance commissioner of Virginia, who recently disappeared from that state, following his indictment on 63 counts for larceny, embezzlement and forgery, has surrendered to the sheriff at Charleston and has been released on \$10,000 bonds. He refused to make any statement in regard to his case. It is set for trial Dec. 14, but may be postponed until after the legislature meets in January. Mr. Bond was suspended from office following his indictment and Secretary of State Sharp is now temporarily in charge of the department.

### Gets Verdict in Disappearance Case

Contention of the Equitable Life of New York that Charles E. Mahan, former treasurer of Kalkaska county, Mich., disappeared in 1916 because of a shortage in his accounts and that there were no reasonable grounds to presume death, was overruled in federal court at Detroit last week when Mrs. Mahan was given a verdict in her suit against the company for \$3,500 insurance. Mrs. Mahan claimed sufficient time had elapsed to establish his legal death and that the company therefore owed her the insurance.

### Simons Was Speaker

Russell M. Simons of Robbins & Simons, general agents here of the Home Life of New York, was the speaker at this week's meeting of the fall educational course of the John C. McNamara organization in New York of the Guardian Life. Long prominent as a large personal producer with a national reputation for developing efficient sales methods, Mr. Simons is now coming rapidly to the fore as an agency manager. In his talk to a large audience he described and demonstrated in detail the methods he has found most effective in approaching and closing his

clients. The speaker at the previous meeting was H. Arthur Schmidt, a member of the recently formed agency of Allen & Schmidt, New England Mutual. Although a young man, being only 31, Mr. Schmidt has had 11 years' experience selling life insurance with great success, during the past five years having averaged well over \$1,000,000 annually. His talk was also on efficient sales methods and practical selling help.

### Columbus Mutual Lansing Meeting

The Elmer Newark agency of the Columbus Mutual Life held an unusually successful sales rally in Lansing, Mich., last week with about 60 agents in attendance. Dan E. Ball, secretary of the company, spoke at the afternoon meeting on "What a Life Insurance Agent Should Know." Mr. Newark was in charge of the session.

Insurance department representatives spoke at the evening dinner meeting. Second Deputy Ralph Wade and H. K. Angle, Actuary, being honor guests of the agents. Mr. Angle gave the principal address on "Liberalization of Life Insurance Contracts."

### Court Denies Request

George A. Loesch of the Loesch Associates, an organization connected with the Hart & Eubank agency of the Aetna, was denied a declaratory judgment here last week by Justice Cotillo of the state supreme court in a suit brought by him against the Manhattan Life, which he formerly represented as a general agent in the metropolitan district. The primary purpose of the suit was to determine his rights under his former contract, particularly his rights to commissions on renewal premiums. The point at issue is whether the circumstances under which the contract was terminated justify a 2 percent reduction in the renewal commissions, which it is understood would amount in this case to about \$75,000 all told. Justice Cotillo refused to give a declaratory judgment on the ground that the plaintiff could obtain relief by other forms of action at law, and in dismissing the suit granted the plaintiff leave to file an amended complaint within 20 days.

## MISSISSIPPI VALLEY

### HARRY WRIGHT THE LEADER

Assistant Manager Is the Patterson Agency in Chicago Tops List of Equitable Producers

Harry T. Wright, assistant agency manager of the Patterson Agency of the Equitable Life of New York in Chicago, is now the leading personal producer of the company in the city. During the first 10 months he paid for \$1,250,000 and doubtless will close the year with \$1,400,000. The Equitable Life will pay for \$75,000,000 in the Chicago office this year, being a 15 percent increase over last year. Mr. Wright's accomplishment is remarkable in that 1926 will establish a new record in the Chicago office of the Equitable. Mr. Wright is 38 years of age and for some time has been a \$1,000,000 personal producer each year. He entered the service of the Equitable 20 years ago and has qualified regularly for the agency clubs. During that time he has paid for \$10,000,000 life insurance over 1,000 clients. He is one of the leading exponents of the monthly life income policy. A large proportion of his business is written on this plan. He has handled a number of large corporation insurance lines in Chicago.

### Kansas Teachers May Drop Plan

It is possible that the Kansas Teachers Association will not go into the group insurance plan this year. There are 15,000 members of the association who were sent ballots for voting on the plan and when the time limit expired Nov. 20 only 2,000 of the ballots had





*And now!*

the last word in up to date accident insurance.

The Motorists Complete Accident Policy

Form 237

Continental Casualty Co.

H. G. B. ALEXANDER, President  
CHICAGO, ILLINOIS

A  
LEGAL RESERVE  
COMPANY

Full Life Line  
Double Indemnity  
Income Disability  
"Excess Interest"  
Juvenile Policies  
Non-Medical Policies  
Low Rates  
Non-Participating

### 23 MICHIGAN YEARS

"Bill" Olive has cultivated one small territory in Michigan for 23 years—and Olive is a "successful" man.

The Franklin has equally good territory in Michigan for new men; and a Home Office representative now in Michigan has already made several connections.

Write to Jos. W. Jones, Vice-President in Charge of Agencies.

#### Life Insurance for a Greater Number

The scope of National Life service is evidenced by the number of applications received from the uninsured, which average about 50% of the total. It is further evidenced by the fact that under 46% of the policies becoming claims, the insured carried no other insurance. A National Life Contract offers the opportunity for increased earnings through selling more insurance to more people. Top contracts available in choice territory.

National Life Association - Des Moines, Iowa

### Eureka-Maryland Assurance Co.

OF BALTIMORE, MD.

Incorporated Under the Laws of Maryland, 1882

WE ISSUE

Standard Ordinary and Industrial Policies

J. C. MAGINNIS, President  
J. BARRY MAHOO, Vice-President

J. N. WARFIELD, Jr., Secretary-Treasurer  
DR. J. H. IGLEHART, Medical Director

of Davenport will be held Nov. 27 with J. A. Blum, general agent, in charge. There will be about 25 agents in attendance. L. J. Daugherty, general manager, will represent the home office. A

theater party will follow the business sessions.

Mr. Blum reports a successful year's business in this territory and greatly increased production.

### IN THE SOUTH AND SOUTHWEST

#### BUSINESS SLUMPS IN TEXAS

**Farmer Hit Again by Drop in Price  
Now That He Has Good  
Cotton Crop**

DALLAS, Nov. 23.—The actual amount of new business written by the life insurance companies in Texas in the past 30 days has shown a decided slump due to low cotton prices, and as a result of those low prices, the attendant reduction in practically all lines of business. In most cases the amount of new business put on the books was less than in 1925 and in a good many, less than in 1924. The life insurance companies are concentrating their efforts right now on the city business. They are making stronger efforts to write business men, clerks and salaried people than ever before, realizing as they do that the farmers are in no mood to talk of taking on more obligations.

#### Are Not Pessimistic

The insurance men, however, are not inclined to be pessimistic over the situation. They declare things will be looking better in 30 days more because the total crop value in Texas this year is greater than it was in 1925, even if cotton prices are 5 and 6 cents lower. Right now the cotton farmers are blue and because of that condition the business world generally is suffering from the same malady. In a few weeks the cotton farmer will become reconciled to the situation, will begin to make arrangements to reduce cotton acreage and diversify his crops. He will forget that he must sell his cotton for 13 cents per pound this year where he received 18 and 20 a year ago, and find out that last year he had less than 4,000,000 bales in market while this year he will have more than 5,000,000 bales. The difference in production will almost make up for the difference in prices, the insurance men say, but it is admitted that it has cost the farmer much more to produce and handle the heavier yield. The insurance men say the total crop value in Texas this year is \$825,000,000 against \$750,000,000 last year.

#### Face Heavy Lapses

Right now the life insurance companies are facing a rather serious problem in Texas, not of how to sell the farmer more life insurance, for that can not be hoped for at present, but how to prevent business written earlier in the year or even a year ago, from lapsing. A good deal of the farmer business written early this year when the prospects were bright was on the basis of notes to be paid this fall. The farmers, especially in the cotton belts, are pretty well up to the ears in debt at the banks and the mercantile establishments. They are trying to hold cotton for a better price and in doing this are staving off some accounts. Among these accounts are those for the life insurance.

#### Carry Farmer Along

Some of the larger life companies in Texas evolved a plan by which they expect to help the farmer carry his life insurance, and by that aid him in strengthening his credit at the bank. The companies are going to these farmers with the proposal that they pay a sufficient amount of the premiums due to take care of the reserves demanded by the state and make new notes for the remainder. The companies report they find the farmers want to carry the life insurance and are anxious to take

advantage of the plan proposed. In some instances the life companies are aiding the farmers to borrow money at the bank to pay a sufficient amount of the premiums now due to enable them to take care of the remainder on notes.

#### Equitable's Oklahoma Meeting

One of the most spirited conventions ever held in Oklahoma City was that of the Equitable Life Assurance of New York, Nov. 19-20. Among the most important speakers were Milas Lassiter, Wichita, Kan., president of the Federal Land Bank and Equitable director; W. G. Fitting of New York, superintendent of agencies; A. V. Ott, assistant agency manager, St. Paul; M. A. Nelson, agency manager, St. Louis, and Homer Jamison, manager of the southwestern division. About 50 agents qualified for the conference, which required at least \$40,000 paid up business within the preceding 60 days. This qualifying time closed Nov. 10, and from that date until the conference convened the underwriters wrote \$735,000 business to present to Mr. Jamison. The meeting was concluded with a banquet presided over by Mr. Jamison.

#### Life Company Buying Cotton

The Lincoln Reserve Life of Birmingham, Ala., is taking an active part in the movement to help in the retirement of part of this year's cotton crop. A plan recently adopted by the company provides that all money collected in premiums on policies this year shall be used to purchase cotton, which will be taken off the market and kept in retirement for 18 months or two years if necessary. The company has already purchased and retired about 600 bales, and officials of the company have expressed the hope that other organizations would adopt a similar policy.

The plan was explained in some detail to the Arkansas agents of the company by J. M. Carr, supervisor of agents, at a meeting held at Pine Bluff, Ark., attended by 20 representatives of the company.

### PACIFIC COAST FIELD

#### Former Home Office Men Make Good

The southern California department of the Reliance Life of Pittsburgh with headquarters at Los Angeles numbers among its field force three young men who formerly held positions in the home office at Pittsburgh. M. S. Long was for many years traveling auditor for the company, after serving in other positions. H. G. Scott, Jr., and J. Gormley MacConnell held home office positions before entering the field in Pittsburgh. They have been in California for several years and at the last western agency meeting in Colorado Springs, all three qualified for the trip.

#### Extension Service Gives Life Course

Extending its activities in a new direction, the University of Washington extension service will open a course in "Elements of Life Insurance" at Stadium high school in Tacoma. Prof. H. E. Smith of the college of business administration will be in charge.

#### Moriarity on Western Trip

J. J. Moriarity, vice-president of the Missouri State Life, spent the latter part

of last week in Los Angeles, visiting the southern California branch office of his company and attending the convention of insurance commissioners. He was en route from a trip to the Seattle,

Portland and San Francisco branches, and left Saturday night for Phoenix, Ariz. Before returning to the home office he will also visit Flagstaff, Tucson and El Paso.

## NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and April respectively. PRICE, \$3.50 and \$2.00 respectively.

### 1927 Dividends of International Life, Mo.

#### WHOLE LIFE

Age	15	20	25	30	35	40	45	50	55	60
Prem.	\$17.43	\$18.91	\$20.82	\$23.31	\$26.55	\$30.85	\$36.79	\$45.10	\$56.49	\$71.58
Year										
2	4.87	4.97	5.11	5.32	5.64	6.10	6.31	6.96	7.14	8.39
3	4.92	5.06	5.23	5.46	5.80	6.34	6.64	7.16	7.74	9.15
4	5.00	5.15	5.33	5.59	5.99	6.58	7.04	7.98	8.37	9.89
5	5.06	5.22	5.44	5.74	6.17	6.85	7.42	8.48	9.00	10.65
6	5.14	5.31	5.55	5.88	6.38	7.16	7.83	9.03	9.64	11.43
7	5.21	5.41	5.68	6.05	6.58	7.43	8.27	9.62	10.34	12.24
8	5.29	5.49	5.79	6.21	6.81	7.76	8.72	10.23	11.00	13.04
9	5.37	5.61	5.92	6.38	7.04	8.08	9.18	10.82	11.73	13.85
10	5.45	5.72	6.07	6.56	7.29	8.47	9.67	11.46	12.45	14.67
11	5.54	5.82	6.21	6.75	7.55	8.86	10.22	12.14	13.18	15.51
12	5.64	5.94	6.37	6.96	7.83	9.26	10.78	12.82	13.90	16.30
13	5.74	6.06	6.51	7.16	8.12	9.71	11.33	13.51	14.67	17.11
14	5.84	6.20	6.68	7.38	8.45	10.16	11.94	14.22	15.44	17.87
15	5.94	6.33	6.86	7.61	8.81	10.68	12.54	14.93	16.20	18.59
16	6.04	6.46	7.05	7.86	9.13	11.17	13.15	15.70	16.97	19.30
17	6.15	6.61	7.23	8.13	9.57	11.68	13.83	16.48	17.75	19.99

#### 20 PAYMENT LIFE

Age	15	20	25	30	35	40	45	50	55	60
Prem.	\$25.94	\$27.71	\$29.86	\$32.47	\$35.70	\$39.73	\$45.08	\$52.36	\$62.33	\$75.49
Year										
2	4.94	5.04	5.20	5.39	5.71	6.16	6.41	7.01	7.16	8.41
3	5.07	5.20	5.37	5.60	5.94	6.47	6.76	7.53	7.82	9.15
4	5.21	5.36	5.55	5.81	6.10	6.79	7.20	8.09	8.48	9.94
5	5.36	5.52	5.75	6.04	6.46	7.12	7.63	8.65	9.14	10.72
6	5.52	5.71	5.94	6.27	6.75	7.44	8.11	9.24	9.80	11.50
7	5.68	5.88	6.15	6.50	7.03	7.82	8.59	9.82	10.47	12.29
8	5.84	6.07	6.30	6.76	7.33	8.19	9.09	10.43	11.17	13.05
9	6.01	6.27	6.59	7.02	7.63	8.58	9.59	11.03	11.86	13.83
10	6.20	6.47	6.81	7.28	7.95	9.01	10.10	11.65	12.52	14.60
11	6.38	6.67	7.05	7.56	8.30	9.44	10.63	12.29	13.19	15.33
12	6.56	6.88	7.30	7.87	8.64	9.89	11.18	12.89	13.85	16.00
13	6.77	7.11	7.55	8.16	9.00	10.33	11.69	13.51	14.49	16.65
14	6.98	7.34	7.83	8.46	9.38	10.83	12.22	14.07	15.08	17.18
15	7.20	7.59	8.11	8.80	9.79	11.30	12.76	14.59	15.60	17.60
16	7.41	7.85	8.39	9.12	10.20	11.77	13.24	15.10	16.03	17.88
17	7.64	8.10	8.69	9.47	10.61	12.21	13.72	15.52	16.37	18.05

#### 20 YEAR ENDOWMENT

Age	15	20	25	30	35	40	45	50	55	60
Prem.	\$47.57	\$47.87	\$48.28	\$48.87	\$49.77	\$51.24	\$53.73	\$58.18	\$65.96	\$77.49
Year										
2	5.29	5.37	5.48	5.66	5.92	6.34	6.54	7.08	7.24	8.43
3	5.61	5.71	5.84	6.00	6.27	6.72	6.96	7.68	7.88	9.19
4	5.97	6.05	6.17	6.35	6.65	7.12	7.45	8.24	8.56	9.97
5	6.31	6.41	6.53	6.72	7.03	7.54	7.93	8.82	9.21	10.73
6	6.69	6.77	6.91	7.08	7.42	7.96	8.46	9.43	9.91	11.53
7	7.06	7.16	7.30	7.49	7.84	8.42	8.98	10.03	10.59	12.29
8	7.46	7.55	7.69	7.89	8.25	8.87	9.55	10.66	11.27	13.06
9	7.87	7.96	8.10	8.33	8.67	9.33	10.07	11.28	11.96	13.82
10	8.30	8.38	8.53	8.75	9.11	9.81	10.62	11.85	12.59	14.53
11	8.74	8.84	8.97	9.19	9.57	10.21	11.15	12.47	13.24	15.22
12	9.19	9.29	9.43	9.64	10.04	10.79	11.65	13.02	13.82	15.84
13	9.68	9.77	9.88	10.11	10.54	11.27	12.18	13.51	14.34	16.37
14	10.16	10.24	10.38	10.58	10.97	11.73	12.60	13.92	14.79	16.76
15	10.68	10.75	10.88	11.06	11.45	12.18	13.00	14.29	15.14	17.00
16	11.21	11.26	11.38	11.56	11.91	12.58	13.35	14.54	15.35	17.04
17	11.75	11.81	11.89	12.05	12.36	12.93	13.60	14.62	15.36	16.83

#### REDUCE MINIMUM AGE LIMIT

Nov. 20, 1926, and end Nov. 19, 1927. This is the fifth extra dividend apportioned by the company.

#### Union Central

The Union Central Life plans to discontinue a number of policy forms which are seldom used. The forthcoming issue of the rate book will not quote rates for the following policies: 20-payment life continuous installment policy; 10-payment 15 to 40 year endowment; 20-payment 25 to 40 year endowment; 20-payment endowment maturing at age 70; regular 35 and 40 year endowments; 5 year life and endowment policies; joint and survivorship life income endowment; personal life income policy maturing at age 70. These policies will not be issued after Jan. 1, 1927. The company reports that on all these forms last year less than \$1,000,000 of insurance was issued, but the rates required 68 pages of the rate book and unnecessarily complicated the home office accounting.

#### WITH INDUSTRIAL MEN

**SOME OF THE EFFECTS SHOWN**  
Frank Jennings, General Counsel Peninsular Casualty, Cities Outstanding Results of Industrial Insurance

**Indianapolis Life**  
The Indianapolis Life is declaring an extra policyholders' dividend of 20 percent of the regular dividend applicable to policies whose anniversaries begin

At the annual meeting of the Industrial Insurers Conference at Jacksonville, Fla., last week, Frank E. Jennings, general counsel of the Peninsular Casualty



## Agents Wanted

HERE are thousands of advertisements that start off like this one. But there are few which have to offer the honest and progressive agent what the National Savings Life offers.

The company operates in Kansas, Missouri, Arkansas, Illinois and Texas and issues policies designed to cover every specific need of the insured.

Our Direct by Mail Assistance enables our agents to shoot straight at the mark. It breaks down the lines of defense and enables him to start at 90 instead of zero; he has only 10 steps to take, instead of 100 or 110; all of these steps are sales steps; none are explanatory.

Write for full particulars. Your correspondence will be held strictly confidential.



## "Underwriters—Notice"

"POOR RICHARD" said—  
"All that glitters is not gold."

Promises and Percentages may be made to "glitter"—BUT  
The real gold that an Agency contract puts into your pants pocket is the real measure of that contract.

DURING RECENT YEARS  
THE RENEWAL INCOME  
PAID MINNESOTA MUTUAL  
AGENTS AVERAGED APPROXIMATELY—

1. For Agencies less than five years old \$3,500.
2. For Agencies up to seven years old \$6,000.
3. For Agencies over ten years old \$25,000.

REMEMBER THAT'S JUST RENEWALS!!!!

These men know how real gold glitters—and they know it paid them to get and keep an Agency contract that is right.

For one like it write

**THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY**  
ST. PAUL, MINNESOTA

Now a \$130,000,000 company

# Empire Mutual

## Life Insurance Company

### of the United States

Home Office

KANSAS CITY, MISSOURI

EXECUTIVE OFFICES

1700 I Street, N. W., Washington, D. C.

### Celebrating 75th ANNIVERSARY

#### Diamond Jubilee Year

Seventy-five Years of Service to Policyholders  
New Policy Forms  
New Added Features to Our Policy Contract

Berkshire Life Insurance Co.  
Incorporated 1851

PITTSFIELD, MASSACHUSETTS  
F. H. RHODES, President

OPENING ALWAYS FOR RIGHT MAN

of Jacksonville, told about some of the effects of industrial insurance. Some of the points he mentioned were as follows:

"One of the most significant innovations in the last quarter of the century has been the conception that the best interest of society justified governmental authority in the expenditures of money and service for the prevention of disease by inculcating a knowledge of right living, correct sanitation and preventive precautions. Today such activity is, in most communities, an accepted fact and provision thereto is made or partially provided in a governmental budget. But long before the public accepted to any considerable degree this problem as a responsibility, industrial companies were publishing by the millions, simple worded and easily understood tracts and pamphlets on preventive measures and through their agencies and in other ways distributing them to the poor and to the uneducated. Long before trained or competent nurses were serving the public by devoting their entire time to the visitation, care and instruction of the unable and needy, industrial companies were spending large sums for trained and competent nurses who devoted their entire time and energies to this special service.

#### Effect on Health and Longevity

"The campaign of education mentioned in the above paragraph has, as should have been expected, been necessarily reflected in the better health and extended longevity of the insured. Mortality tables have always shown the rate of death of infants and children who were insured to be considerably less than the death rate among the same general classes who were not insured. Another distinct effect is reflected in the habit of saving which this business necessarily inculcates among the masses, among a large portion of whom the habit of consistent saving would not otherwise have been acquired. It is true that such insurance is, in the main, upon the lives of people who do not enjoy bank accounts and pay by check. The result is that once each week the premium money is saved and laid aside to be collected by the agent who calls for it at a stated time. Habits of saving, like all other habits, rapidly grow and generally become securely entrenched. Once the habit of saving a specified sum each

week for life insurance premiums is fixed it would be logically to expect it to extend to saving for other purposes, and this we find to be unmistakably true.

#### Promotes Self Respect

"Another effect has been the development of self-respect from the knowledge that a decent and proper burial has been supplied for the loved one. Pauper funerals, since the inception of this form of insurance, are today a minor percentage of heretofore. It is a fundamental desire in the normal human mind that the beloved dead should be laid away respectfully and without resort to charity. This feeling was perhaps the foundation and reason for the creation of the earlier societies in the nature of burial societies and guilds. Another effect is reflected by the immense increase in the volume of what we know as ordinary or old line insurance, which consists in policies of much larger amounts. The knowledge of the value of life insurance to the individual is often obtained in the early and struggling years of one's effort to obtain a livelihood and thus it is that the harvest so often reaped by the ordinary or old line insurer is from the seed sown by the industrial insurer."

#### NEWS OF THE PRUDENTIAL

Some Promotions to the Position of Assistant Superintendent Have Just Been Announced

Three promotions have been announced in Division F of the Prudential. They are Oscar J. Bolles, Cleveland No. 1; George F. Carr, Canton, O., and Glenn T. Mader, Wellston, O. Each becomes an assistant superintendent.

The leadership of Division F in ordinary net issue is held by Assistant Superintendent Earl G. Wilkinson of the Cleveland No. 2 staff. He only recently completed his first year of service and by virtue of his good record is 28th in the list of the entire company in this branch of the business.

The industrial record of Assistant Superintendent H. Civin of the Rochester No. 2 district is among the best in the company's entire field. He ranks No. 10 among all assistant superintendents and leads Division H in industrial net increase.

L. J. Roll of the Buffalo No. 3 district is one of the new assistant superintendents.

Joseph P. Becker, formerly assistant at St. Louis No. 4, is made superintendent at Des Moines. He started in St. Louis No. 2 on July 13, 1910. He was made assistant in 1912 and transferred to St. Louis No. 4.

Then B. Moore, assistant at Council Bluffs, Ia., is made superintendent at St. Joseph, Mo. He started with the company June 20, 1912, when he was appointed an agent at San Francisco No. 2. He was made assistant in the fall of the same year. In 1917 he was transferred to Omaha and in 1919 was sent to Council Bluffs. William L. Keys, superintendent at Des Moines is transferred to Ottumwa, Ia., as superintendent.

#### Public Savings Changes

Recent changes in the field by the Public Savings are:

Superintendent J. R. Sawle, Gary, is transferred to Laporte, Ind. Superinten-

# KANSAS

NOW OPEN

ROCKFORD LIFE INSURANCE COMPANY

Write to

Francis L. Brown, Secretary

ROCKFORD, ILLINOIS

Even an  
Efficient  
Workman  
Needs  
Adequate  
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# MUTUAL LIFE OF ILLINOIS

H. B. HILL, President  
SPRINGFIELD, ILLINOIS

Agents are splendidly equipped with such tools as

1. Non-Medical	6. Female Insurance	10. Health & Accident
2. Salary Savings	Without Restrictions	11. Direct Mail Advertising
3. Monthly Premium	7. Annual Dividend	12. Sales Promotion Department
4. Juvenile Policies	8. Non-Participating	13. Educational Course
5. Payor Insurance	9. Sub-Standard	14. Sales Folio

Annual dividends payable on Non-Participating forms after 20 years.

The famous 5 Point G. P. S. Policy—It's different—A sure fire business getter.  
Excellent General Agency Territory in Illinois, Indiana, Iowa, Michigan, Missouri, and Ohio.  
Write in strict confidence to F. M. FEFFER, Vice-President & Agency Director

tendent R. E. Ringham of Sullivan, Ind., is transferred to Vincennes, Ind. Agent A. R. Ladson, Sullivan, promoted to superintendent. Manager D. Tow, Detroit 3, is transferred to Detroit 5. Manager T. C. Swaisgood, Piqua, O., is transferred to Detroit 3. Former Manager W. T. Stewart is appointed manager at Piqua, Ohio.

#### Metropolitan Life Changes

Harry Scott, associated with the Metropolitan at Madisonville, Ky., for 10 years, has been promoted to manager in that city, taking the place of W. G. Seymour, who has been made superintendent of the Hopkinsville, Ky., district.

Gifford R. Eastham, who has been assistant superintendent at Evansville,

Ind., has been transferred to Crawfordsville, Ind., as assistant superintendent.

#### Serena Goes to McKeesport

Superintendent Harze will retire as head of the McKeesport, Pa., industrial agency of the John Hancock. A. R. Serena, assistant superintendent at New Haven, Conn., will succeed him.

#### Metropolitan Manager Fatally Injured

Donald V. Burns, district manager for the Metropolitan Life at Battle Creek, Mich., was fatally injured last week in an automobile crash near Kalamazoo. He had lived at Albion, Mich., for a number of years previous to moving to Battle Creek.

## IN THE ACCIDENT AND HEALTH FIELD

### COMMITTEES ARE NAMED

#### Appointments Announced by President Grant Include New Committee on Policy Phraseology

W. T. Grant, president of the Health & Accident Underwriters Conference, has announced the committees appointed for the year. Of especial interest is the committee named to study the subject of uniform phraseology of certain provisions of the accident and health policy, the appointment of which was authorized at the Gloucester meeting. The subject was discussed considerably at that meeting following the address given by Stewart M. LaMont of the Metropolitan Life. The committee is composed of C. O. Pauley, Great Northern Life; H. S. Bean, Eastern Casualty, and M. P. Cornelius, Continental Casualty. This committee is expected to make a report at the next meeting of the Conference in Chicago in March.

The other committees named are as follows:

**Auditing**—B. H. Manning, chairman, Continental Life; J. H. Higgins, American Travelers; H. C. Reed, Fraternities Health & Accident.

**Constitution and By-Laws**—C. O. Pauley, chairman, Great Northern Life; Ted M. Simmons, Pan-American Life; O. L. McCord, Illinois Mutual Casualty.

**Credentials and Reception**—F. L. Barnes, chairman, Employers Indemnity; C. N. Greene, Hoosier Casualty; M. W. Hobart, Ministers Casualty Union; E. E. Elliott, Physicians Casualty; H. C. Mason, Columbia Life, Omaha.

**Educational and Publicity**—E. C. Budlong, chairman, Federal Life; E. J. Faulkner, Woodmen Accident; W. J. Alpaugh, Inter-Ocean Casualty.

**Entertainment**—H. G. Royer, chairman, Great Northern Life; F. M. Feffer, Mutual Life of Illinois; Ben Haughton, International Travelers; R. Allyn Gowdy, United Casualty; C. W. Young, Jr., Monarch Accident; L. J. Adelman, National Travelers Casualty.

**Grievance**—C. W. Ray, chairman, Hoosier Casualty; R. Brown, Inter-State Business Men's Accident; W. C. Cartin, Provident Life & Accident.

**Legal**—E. St. Clair, chairman, North

American Accident; Thos. J. Tyne, National Life & Accident; S. T. Gilmore, Business Men's Assurance; B. E. C. Moore, Pacific Mutual Life; T. S. Allen, Woodmen Accident.

**Legislative**—John Patterson, chairman, Massachusetts Bonding; S. C. Carroll, Mutual Benefit Health & Accident; Thos. Watters, Southern Surety; James F. Ramey, Washington Fidelity National; Dr. J. R. Neal, Mutual Life of Illinois.

**Manual**—A. F. Wieland, chairman, Federal Life; F. C. Crittenden, La Salle Printing Shop, Chicago; D. W. McFall, Continental Casualty; M. C. White, Washington Fidelity National; H. A. Luther, North American Accident.

**Membership**—C. S. Drake, chairman, Empire L. & A.; D. C. McEwen, Pacific Mutual Life; H. S. Bean, Eastern Casualty; R. W. Reese, Mid-Continent Life; H. A. Woodward, Old Line Life.

**Press**—J. R. Austin, chairman, United Craftsmen; C. B. Hiron, Ft. Wayne Mercantile Accident; E. C. Edmunds, Fidelity Health & Accident.

**Program**—G. E. Harsh, chairman, Federal Savings; C. G. Traphagen, Time; A. J. Alwin, Minnesota Commercial Men's; L. L. Waters, National Accident; J. W. Blevins, Interstate Life & Accident.

**Resolutions**—J. S. Irish, chairman, Iowa State Traveling Men's; J. J. Helby, Federal Casualty, Milwaukee; Gustaf Lindquist, Travelers Equitable; E. G. Robinson, National Masonic Provident.

**Statistics**—L. D. Cavanaugh, chairman, Federal Life; W. R. Sanders, American Liability; Roger Billings, Fraternal Protective; C. W. McNeill, Massachusetts Accident Co.

#### DARK STARTS NEW COMPANY

Former Secretary of Health & Accident at Conference Launches Indemnity Life & Casualty

W. W. Dark, well known in life, accident and health insurance circles as former Underwriters Conference, is organizing a new company at Indianapolis, the Indemnity Life & Casualty, under the mutual laws of Indiana. He is president and general manager. The company will write the usual lines of health and accident insurance except limited forms

## ACACIA MUTUAL LIFE ASSOCIATION

Insurance in Force..... Over \$210,000,000  
Assets ..... Over \$ 17,000,000

#### THE IDEAL POLICY

The low initial premiums of the stock company, combined with the dividends of the mutual. A privilege a Master Mason cannot find elsewhere.

Acacia representatives place more insurance per agent than the salesmen of any other company.

Renewals based on volume of business—not on premiums collected

If you care to better your position, write to

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ATLANTA, GEORGIA

THE Southern States Life, organized in 1906, has an enviable record—20 years of honorable and successful relations with agent and policyholder.

During this time the company has been cultivating and serving well its field—Dixie.

Today there is opportunity in Dixie—the South is awaking industrially. To men who are unattached and to new men the Southern States has an attractive proposition.

Edw. S. Chadwick  
VICE-PRESIDENT AND MANAGER OF AGENCIES

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Life Health Accident  
Life Policies—Disability Policies—Accident Policies

Sub-Standard Standard Super-Standard  
One Company One Correspondent One Contract  
40 Popular Life Forms 7 H & A and Auto Injury Forms Group Protection

WE WANT REPRESENTATIVES in Ohio, Indiana, Kentucky, Michigan, Pennsylvania, West Virginia, Texas, Oklahoma, California.

TELL IT ALL in your first letter—your confidence will be duly respected pending your decision to accept or reject.

THE OHIO STATE LIFE INSURANCE COMPANY  
COLUMBUS, OHIO

If Territory does make a difference	If You are a producer
If Close co-operation is necessary	If You believe in yourself
If A friendly interest is needed	If You want a REAL job

Write or wire

S. M. CROSS, President

COLUMBIA LIFE  
INSURANCE COMPANY  
Cincinnati, Ohio



**Charles E. Flitcraft,**  
Special Agent, Chicago,  
Mass. Mutual Life Ins. Co.

**ANOTHER  
LIFE UNDERWRITER  
Who Endorses the  
DALLWIG  
POLICY & COMMISSION  
RECORD\***

**SAYS—**

*"A tremendous time saver, allowing more time for actual solicitation. In addition to being an excellent record for my own purpose, I consider this the only complete record which, in case of my death, will give my wife a record of all my renewal commissions and advise her as to WHAT she has coming, WHEN she has it coming and WHERE FROM."*



\*The Dallwig Record is a simplified loose leaf record designed for the busy life insurance salesman, saving much lost motion by combining six different records on one 11x14 ledger sheet.

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no sales service force to be applied comparable to this. It is opening the way to a great business. He said that there is need for study and need for specialists and the companies must develop a training above past methods to handle the present situation. He said that steps towards the proper cooperation between the trust companies and the life insurance companies have been evidenced in such moves as the conference between the trust company officers and the committee from the Life Insurance Presidents Association. He suggested that the Life Insurance Sales Research Bureau make the life insurance trusts one of its subjects of investigation and secure and display the necessary facts. He said that he believed it would show a tremendous field and a great cooperative reservoir for the business. He said that this new phase of the business overtops any piece of good-will building for life insurance companies yet discovered. Mr. Russell concluded his talk



**WINSLOW RUSSELL**  
Vice-President Phoenix Mutual Life

with an analysis of some of the remarkable returns secured by his company throughout the country through trust company cooperation and a display of some of the valuable advertising secured without cost to the company through this trust company cooperation.

**Detroit Bunker Spoke**

The banker's viewpoint was given by John A. Reynolds, vice-president of the Union Trust Company of Detroit, one of the pioneers in this field. Mr. Reynolds was introduced as one of the country's foremost authorities in the life insurance trust. He gave a picture of the plan as operated by his bank and also viewed the future growth of this business. Mr. Reynolds not only pictured the life insurance business as a valuable aid in the creation of personal estates, but expressed the opinion that it will become a vital factor in business insurance. He also said that the plan will become equally profitable and advantageous in the small cities as it has now been worked in the metropolitan centers. He said that every small town has at least one industry which stands as the backbone of that town. He cited the case of such an industry, the head of which might die and leave the estate for distribution among numerous heirs. These heirs, some possibly scattered throughout the country, would return for their share of the estate, with the result that the business would be disrupted and possibly ruined. Frequently this results in the loss of a real manager.

**Value for Business Insurance**

The business insurance policy to guarantee the estate value to the heirs and yet permits the business to continue uninterrupted is essential. Furthermore, Mr. Reynolds pointed out that he believed the trust company had a vital place in such an arrangement, as the insurance policy of itself might not equi-

tably handle the situation. The trust company could not only distribute the insurance funds and settle the estate, but it could carry out the necessary business arrangements to place the industry under the management of a capable successor to the policyholder. An additional provision should be made in the arrangement whereby the trustee could secure a new head for the concern capable of continuing the business on its present scale, without interference from the beneficiaries. Mr. Reynolds applied the same conclusion to all forms of business insurance. He said that in the case of the partnership, which may be found in every town and village of the country, the same results will be found.

**Shows Big Field**

Mr. Reynolds said that the Union Trust Company of Detroit will probably put on its books \$15,000,000 of life insurance trusts this year and has hopes of increasing the amount next year to \$25,000,000. He cited the figures to show the possibilities of this business and particularly emphasized the fact that not a dollar of the total has been brought in by the bank itself. Life insurance agents have created the business. The bank has carried on an elaborate advertising campaign, but has emphasized in every advertisement that it is not in the insurance business. It has created the desire for the life insurance trust, but the agents have sold the business. Mr. Reynolds pointed out that it is not the province of the bank to get into the field for actual solicitation. He said no banker can determine the life insurance needs of the client, such a decision resting entirely upon the agent properly trained to analyze the situation.

**Need Better Trained Agents**

He said that for this reason it is a responsibility for the life insurance companies to train their agents to adequately meet this situation. He expressed the opinion that he did not believe that at present more than a very negligible percentage of the life insurance agents in the business were in a position to advise intelligently regarding such arrangements. That it is essential, however, was indicated by his picture of the plan in Detroit and his picture of the future. He said that the plan is growing so fast that his bank will need a special department to devote its entire time to the investment of life insurance trust funds in a few years. Mr. Reynolds said that some of the difficulties encountered thus far in the field might be credited to the fact that there is some trace of a suspicion on the part of the two institutions. He said he believed that many life insurance agents were suspicious of the trust companies in their encroachment of their field and likewise the trust companies in some cases were suspicious of the life insurance agent. He said that in Detroit this has largely been overcome through an unusual degree of cooperation between the Detroit Association of Life Underwriters and the trust companies, so that all are working in harmony there. This cooperation can be improved, however, by a removal of some of the difficulties now before the two institutions.

**Difficulties Encountered**

He referred to the fact that no two life insurance companies have the same requirements, although it also has been said that no two trust company agreements are alike. Mr. Reynolds pointed out, however, that the trust companies are definitely attempting to standardize their agreements and steps have already been taken in this direction. Over 5,000 trust companies are now making a concerted effort to standardize the plan and develop it as a definite part of their business. He said that it is the beginning of a great era and that the whole-hearted cooperation of the two institutions will have remarkable results. That the plan is of great benefit to the agent was pointed out by Mr. Reynolds in his reference to an analysis of a number of clients who have created life insurance trusts and who have said that they would not have been sold life insurance

## ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

*Offers an unexcelled line of policy contracts.  
Our juvenile policies, written on children as young as one day old, go in full benefit automatically at age 5 without re-examination.*

*Our special low rate policies to business and professional men are fast sellers.*

*We write women on equal basis with men.*

*Splendid agency openings are now available.*

*Write William Koch, Vice President and Field Manager.*

## ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

*A. C. Tucker, President*

## TWO WONDERFUL OPPORTUNITIES IN CALIFORNIA

WHERE DREAMS OF SUCCESS IN LIFE UNDERWRITING COME TRUE

Prominent Western Company is seeking two General Agents to establish and develop metropolitan general agencies—one in LOS ANGELES and one in SAN FRANCISCO. Only men of character and successful records of past experience considered. Attractive proposition.

*For Full information address  
W. H. SAVAGE, Vice-President*

## GREAT REPUBLIC LIFE INSURANCE COMPANY

of LOS ANGELES, CAL.

### A Loyal, Efficient Agency Corps

Back of the success of a life insurance company is a force of enthusiastic men and women in the field, following a vocation they like and serving a company in which they have confidence and pride. Their value to their respective communities and their own individual success stand upon the service their company renders to its constituent members—the proving test.

The Mutual Life of New York, the first American legal reserve mutual life insurance company, has for eighty-three years met the proving test of service to its members. Today, this Company's high prestige accorded to public service and achievement is upborne and carried on by loyal, efficient and contented field workers.

They have unsurpassed contracts and facilities to offer to their public—all standard forms of insurance (ages 10 to 70) and annuities, both for men and for women; Disability and Double Indemnity Benefits; policy loans in branch agencies, and all other features of service the Company deems justified.

They take a pride in building greatly upon a great past—a loyal, efficient agency corps successful for the Company and for themselves.

Those who contemplate life insurance field work as a vocation are invited to write to

## The Mutual Life Insurance Co.

of New York

34 NASSAU STREET  
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otherwise. He said that millions of business is sold on this basis and that the plan has created a new field of prospects for the agent.

**See Small Town Development**

It was pointed out by Mr. Reynolds that this is particularly true in the smaller communities where the plan has not been developed extensively as yet. He said that as a matter of fact the life insurance trust would probably prove more popular in the smaller community than in the big city. In the small town the banker is invariably the most highly regarded man of the community. Any resident of the town would gladly listen to a proposition whereby this banker would have jurisdiction over the distribution of his estate. Everyone knows him personally and there is no need to sell faith in this man, whereas the distribution of the money by some far-distant corporation might not so readily appeal. The creation of the estate by the life insurance company cannot be handled to advantage through the distribution of the funds by the local trust company. He said that the trust company has ideal facilities and offers a clean, acceptable way to trustee these funds and settle business arrangements.

**Answers One Objection**

Mr. Reynolds took occasion to answer one criticism that has been voiced by some life insurance men in connection with bank agents. He said that a number of men have expressed disapproval of the life insurance trust because certain trust companies have also been in the insurance business and have written their own policies. Mr. Reynolds pointed out that this was, as a matter of fact, the company's fault and those in the insurance business should not lay responsibility on the trust company. He said that if the companies persist in appointing trust companies as agents, those in the life insurance business should not criticise the trust companies for taking on this agency. He pointed out that such cases are comparatively

few and that in most cases the trust companies giving the greatest degree of cooperation in the plan do not deal in insurance and specifically state so. He summed up his discussion with two ideas, that the agent can and will sell more business in cooperation with trust companies and that both trust companies and insurance men are just at the beginning of this new and great era and need cooperation.

**IMPORTANT DECISION  
FOR H. & A. BUSINESS**

(CONTINUED FROM PAGE 17)

tion precedent in the payment of installments gives the contract a wholly executory nature and that it does not differ from a tender of property under a sales contract or a tender of service under an employment contract. The company contends that this opinion is erroneous. It is held that the decision of the court holding that respondent is in good health except for the results of her injuries which are not at all likely to shorten her expectancy, is erroneous.

**Of Vital Public Interest**

It is pointed out that because the public interests and the interests of jurisprudence require the decision of the supreme court upon the question of law involved in this case, a rehearing should be granted. It is pointed out that if this decision is allowed to stand there will result endless litigation as all claimants for indemnity under policies of health and accident insurance whose claims are rejected, may bring suit for the aggregate amount of their periodical indemnity through their life expectancy, with the hope of recovering a total sum, the income of which, as in this case, would exceed the maximum indemnity provided for in the policy, leaving the principal sum to be enjoyed by the insured heirs or legatees. The appeal is asked because the decision of the circuit court makes uncertain the liability under

all contracts providing for the payment of money in installments. The reason is also given that this decision, subjecting accident and health insurance companies to the possibility of the recovery of a lump sum of life expectancy, whenever it errs in the rejection of a claim, seriously threatens the existence of the business of health and accident insurance.

**Had Competent Advice**

In denying the liability on the continued disability of the claimant, the Federal Life acted upon the findings of a prominent practicing physician of Nashville and also an experienced insurance adjuster of St. Louis. The plaintiff had received the injury to the ligament of her knee while traveling on a passenger train of the Louisville & Nashville Railroad. As a result of this accident she asserted she was and has been ever since completely disabled. Four separate claims were filed at succeeding intervals by her and in each case the claim was paid, though when the fifth claim was filed the company contended that she was no longer totally disabled. Immediately after the injury she was confined to her bed, but later she moved about with crutches and at the time of the trial used only a cane. When continued claims were filed the company secured the services of an additional medical man, a prominent Los Angeles physician examining the patient and having the cooperation of two selected specialists to make a full examination. The case was reported as a case of malingerer and thus the company denied liability.

**Had Strange Treatment**

The treatment of the case in court was one of the particular difficulties encountered, the court allowing the change from the bill and equity to the law procedure without granting the company time to prepare a case under the new procedure. While the entire nature of the proceedings were thus changed the company did not have the opportunity

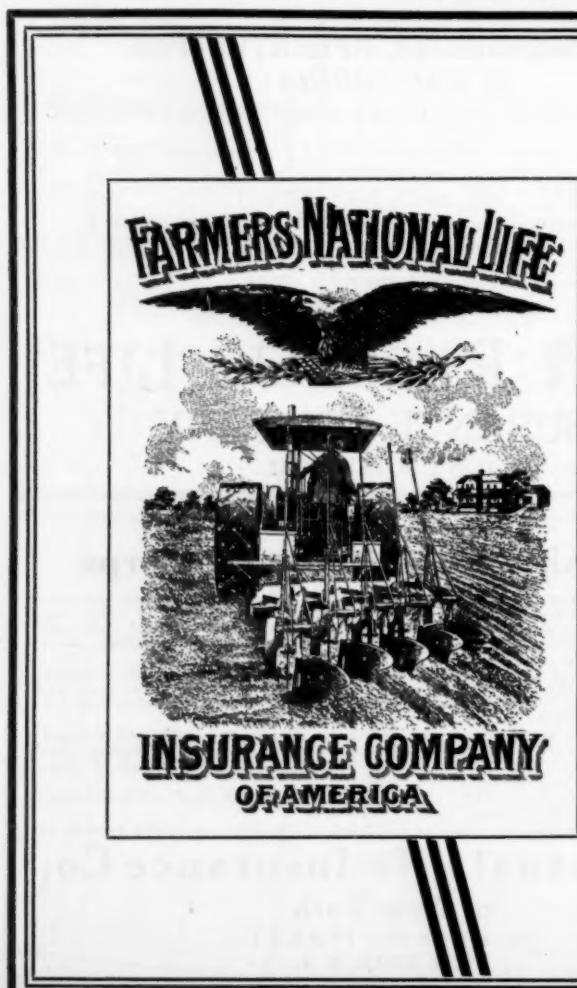
to prepare its pleadings in accordance with the change. The most striking part of the case, however, was the acceptance of the testimony regarding the life expectancy of the policyholder and from this the total amount due under the judgment. The witness on the stand was asked to turn to the American mortality table of the expectation of life and state the expectancy and from that to figure the amount due at \$25 per week. This not only ignored the fact that the claimant was not only in perfect health, as would be the case of one to whom the table of expectation of life was applied, but it also ignored the possibility of recovery from the injury, if not already accomplished, or death at any time.

**MCDONALD IS NOW IN CHARGE**

**Home Office Inspector Opens New York Office of Canada Life, to Handle All U. S. Business**

**NEW YORK**, Nov. 24.—The Canada Life, which was recently admitted to the state, has appointed R. G. McDonald of Toronto, home office inspector, as temporary manager of the company's new offices here at 110 William street, which will be formally opened for business Dec. 1. Mr. McDonald will probably remain on till the first of the year, or such time as the company names a permanent manager of the New York office, which is to be made headquarters for all the company's United States business. It will have jurisdiction over agencies in about a dozen widely scattered states. The work of leasing offices and getting everything ship-shape for an auspicious launching of the company in these waters has been in the hands of Assistant Treasurer L. R. Young, who announces that all preliminaries are very near completion.

**Dr. W. B. Porter**, formerly medical examiner for life companies in Richmond and also in Roanoke, has been elected whole-time professor of medicine at the Medical College of Virginia.



## GENERAL AGENTS

Capable men desiring to build their own General Agencies may obtain exclusive territory of their own choice with this progressive young company. We accept all classes of life risks, age one day to 65 years. Our best uncontracted territory includes:

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Seymour  
New Albany  
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For further information communicate with

**A. O. Hughes, Vice-President in Charge of Agencies**

**Farmers National Life Insurance Company  
OF AMERICA**

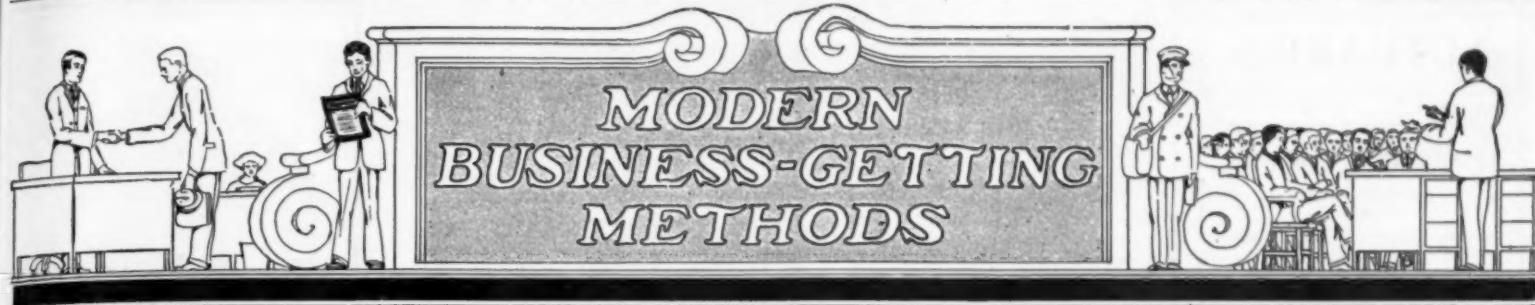
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November 26, 1926

LIFE INSURANCE EDITION

31



## Minds Closed to New Ideas Constitute Greatest Obstacles to Onward March of Civilization and Progress of World

BY HUGH D. HART

[Mr. Hart, of Hart & Eubank, New York City general agents of the Aetna Life, gave an address before the John C. McNamara Organization of the Guardian Life in New York City last week, from which the following paragraphs are taken.]

I THINK that the present problem of selling insurance is the closed mind of the prospect. I believe that the greatest detriment to progress in the world is the closed mind. I believe that it retards the onward march of civilization and only when you feel able to get men to open their minds to the reception of new principles have you been able to make any progress in the world in any line of endeavor. I believe that the most important function of life insurance is to unclog closed minds, to unlock locked intelligences, and I believe too that one of the principal things that an experienced life insurance man has to learn is to find a key that will unlock these closed minds, and when he has found a locked mind that will not let him unlock it, to leave that prospect alone and deal with reasonable men. I hope that the time will come when life insurance men and women in this country will have a pride of caste that will cause them to shy away in disdain from those unreasonable creatures who condescendingly keep their minds locked.

### Prospect Must Aim to Give Impartial Judgment

I said that the problem is to get men to unlock closed minds. I am going to suggest three ways to do it. One of these ways is at the opening of the interview. Another of these methods that I am going to suggest comes during the interview and the third method follows after a man has turned you down. If he does not turn you down, of course, there is no need for you to use the third. The first of these is to say to a man, "I have come here to tell you something that will do you some good. I cannot, however, do you any good unless you will comply with two conditions. You must, first of all, believe that I am telling you the truth and second you must put yourself in a judicial frame of mind and give impartial and unbiased weight to the facts which I wish to lay before you." If the man will agree to these two conditions, you have unlocked his closed mind.

### State Minor Objections to Establish Confidence

Another way that I have sometimes used to try to get a man to unlock his closed mind is a method that I think is not used sufficiently by life insurance men and women and I have found it particularly effective. I have discovered that a great many men and women in the life insurance business object to this method, but I have found that it works out very well. It is to state an objection or two objections or more, not too many, to the proposition that you are offering to the man. When you go to sell a man something he immediately arms his mind to combat and resist the

thing you are trying to sell. It is a natural tendency for persons to discount the things we say to them. This has been true through history. The framers of the common law of England recognized in law that a salesman had a right to boost his goods to a point that transgressed the bounds of truth. This simply states in law a principle of human nature, that a man rather discounts the things that a salesman tells him. I am going to illustrate this by a personal instance.

### Said His Friend Was Extremely Conservative

Not very long ago I heard that a bank president wanted a trust officer in his bank at a salary of \$10,000 a year and



HUGH D. HART

I had a friend that I wanted to have that job. I never met this bank president, but I got an interview with him of one hour in which he gave me the privilege of selling him this man whom he had never heard of before. I started my interview after the usual polite preliminaries by saying that the man had one very serious fault and that I felt it my duty to tell him about that defect. There is one little point about mentioning these defects and that is always name your defect. I think that if there is nothing inherently wrong with a proposition, but if there is a doubt that has no particular weight, you materially strengthen everything else you say about the proposition if you tell first of all about the defect. I went on to say to him that his man is entirely too conservative and I believe that it is a defect in his character.

### Emphasizes Limitations of Disability Features

He said, "Well I do not believe that that is a bad feature for a trust officer to have," which was what I thought he would say, but I told him that because

it was the truth and I felt that everything good that I was going to say about my friend would have added weight if I won his faith in my sincerity by telling him very frankly a bad feature of the proposition which in this instance happened to be a man, that I endeavored to sell. I apply this in life insurance by telling of some of the disadvantages of the disability feature. Of course, this disability feature gets more and more improved but you still find some things about it that are not altogether conducive to the operation of it. For instance, I have always impressed men with the idea that the disability feature is not a regular accident and health policy but is an attachment to the life insurance that rather guarantees life features than anything else and I say to them that I want them to clearly understand that in the very beginning. I found that that sort of talk tends to unlock the mind of a man and puts him in a mood to believe everything else I say.

### Gets Man Off Guard After He Has Refused

The third method of unlocking the closed mind is the method to use after you fall down on a sale. I can remember particularly a sale that I made at one time where the man gave me 30 minutes in which to sell him insurance and he agreed to have an unbiased mind, and I think he did. He finally turned me down. I said, "Now the sale is over, I would like to have a little visit with you. You and I have a number of things in common and I would just like to discuss with you some of my ambitions and some of your ambitions," and then I got him to talk without any reference to insurance and without any effort to sell. We talked and he told me about his ambitions and pretty soon he was off his guard and began to speak of life insurance and finally he said, "Who is your doctor?" and then I had him sold. When he thought that I was not trying to sell him, he bought.

### Shows Cash Value of a Man's Life

A great many people believe that it is a good method in selling to have something for a man to look at. They say that the eye sees 18 times as strong as the ear hears. I want to tell you about two little devices that I think are very useful in that direction. One of these is a chart that we have procured from my good friend, Mr. Thorpe, and it is what Mr. Thorpe calls the "Thorpe Life Value Chart." You go in to a man to sell him life insurance. One of the important ideas to get across to that man is that his life has value and that value can be reduced to dollars and cents, that the institution of man can be financed or appraised just as a building or a business or any other property value. By using Mr. Thorpe's chart, if you can ascertain the amount of a man's income and his age, you can tell what his value is to his family. That might seem simple but Mr. Thorpe has gone to great trouble to ascertain from the labor department in Washington the average amount that a man spends on himself and for his family. The average man, according to the Department of Labor in Washington, spends 25 percent on himself and the balance is devoted to the family. If a man has an income of \$12,000, one-fourth of that, \$3,000, would be the amount that he

would spend on himself. He devotes the remainder, \$9,000, to his family. Take for example a man 25 years old who has an income of \$10,000; \$84,340 is his present value.

### Gets Man to Set a Price on His Practice

Now the other day I had the pleasure of sitting at a table with five men who are outstanding life insurance men from various parts of the United States. Two were from Boston, one from Indianapolis and one from Salt Lake City. I asked these men to give me the outstanding method that each in his long years of service had used in selling life insurance. One of these men makes a practice of selling professional men and I think that we all realize that this is a class above all others that needs the guardianship of life insurance. He goes to a dentist, for example, and says to that dentist and builds his whole interview around that idea—"What will you sell me your business for?" Imagine a doctor or a dentist or a lawyer being approached with the idea of buying his business. Of course he gets this man to place a value on his practice and then on the basis of this value and the fact that no one is going to be found to buy it on his death, he sells the insurance.

Another man sells a "part of the company's assets" providing a man will pay interest on these assets and he goes into the sort of assets the company has, the kind of bonds and stocks, the gilt-edge securities and the amount of these securities. He says, "I want to sell you \$12,000 of my company's securities. On interest of 3 percent we will turn over to your wife \$12,000 of my company's assets." This man is a very large producer and is very well known.

### Projects Insurance Income Into Future

Another one of these gentlemen says he always asks this question, "How far into the future will your present life insurance carry your present income?" He went in to a man who had an income of \$15,000 a year. That man as it happens had only \$15,000 of insurance, but the same thing would apply if he had had more. He said to that man, "I want to add some insurance to the amount you now carry." The man said, "I have all I need; I do not want any more." He began to fold up his papers and said to the man, "I heard you were going to retire from business at the end of the year. What is the matter?" The man said, "I am not going to retire, where did you get that idea?" He said, "Well you said that you did not want any more insurance and I assume that if that is what you believe your family would require, that you are going to retire yourself when you make \$15,000."

### Deposit Interest to Produce Capital

One of the great life insurance men, a man whose name is known all over the country, builds his entire argument around a statement which is plain to all of us, but it is a statement that I had never heard put in this compact way. Often we have men say to us, "I make investments in bonds, I make investments in this way or that," and we unquestionably turn on the defense to be able to combat this competition. This man says, "Through investments we deposit capital to produce interest, but through life insurance we deposit inter-

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est to produce capital," and then I threw in my little piece of argument to this group of capable insurance men.

#### Pictured a Policy as Actuary's Masterpiece

I went to a man and he told me that he wanted \$10,000 of term insurance. I have never objected to a man specifying the kind of insurance that he wants. I filled in the application, but left the kind of insurance blank. I said, "Do you know what an actuary is?" He said something about making figures for life insurance. "Well," I said, "an actuary is a life insurance architect. He is the man who builds in his brain a conception of a life insurance policy and then he works it out and hands it to the company who turns it out to the agents and they sell it to the prospects. Did you ever know an architect that was not anxious to create something that would memorialize his name?" Of course he agreed with me. I said, "There is an old fellow back at the Aetna who sits at his desk year in and year out that he might transmit down to the ages his masterpiece of work as a monument of his genius, his artistry and his handiwork," and then I described a policy to him. He said, "Can you get that in term insurance?" and I said "No." He said, "Give me \$10,000 of that masterpiece."

## HOLCOMBE CITES NEED OF CONSERVATION WORK

(CONTINUED FROM PAGE 5)

to continue unchecked. The heart of the matter is in prevention. He said he compared the life insurance business to the professions of medicine and law, pointing out that in those two lines of endeavor the modern trend was away from curative work and towards preventive work. The best legal advisor is the attorney who can keep one out of court rather than present the defense in court. Likewise the preferred doctor is the one who practices preventive medicine rather than curative.

#### Agency Selection Is Key

Mr. Holcombe pointed out that this entire matter of conservation goes back through all relations of all parties to the contract to the original problem of selection of the agent. The agent holds the key to the situation and the companies which solve the problem of agency selection have gone far towards solving the problem of lapsation.

Analyzing the causes of lapsation, Mr. Holcombe said that there are two distinct classes of lapsed policies, those lapsed by the policyholder himself, through such conditions as reduced finances and other causes which are not preventable, and those caused by agency contacts, which are distinctly preventable. He said there are numerous ways in which the agency contract can result in a lapsed policy, but they fall chiefly in six groups.

#### Six Chief Causes

First is the incomplete sale, where the policyholder does not understand the purpose for which the policy was sold. Second is over-selling, the policyholder who is overburdened invariably resulting in a lapse. Improper settlement of the first premium, with the company carrying the insured almost to the second premium, is a frequent cause of lapse, for the presentation of the second year's immediately on top of the first year's is often more than the policyholder can stand. Interim insurance was another cause of lapsation cited by Mr. Holcombe, who pointed out that this sales feature has an important and valuable place in the business, but its improper use leads to lapsation, for where improperly used it is often harder to sell the policy when the regular premium comes due than it was in the first place. Lack of attention to all policyholders is a frequent cause. Automatic premium loans and policy loans constitute another important group, again a valuable aid, but dangerous if

misused. Switching is a cause commonly encountered and Mr. Holcombe pointed out that the program builders have a legitimate field in which to work, but the over-developed specialist who programs to the extent of switching has no place in the business. These causes and a number of others are the chief causes of lapsation and are all problems which can be ultimately worked out only by the agent himself.

#### Asks Pertinent Questions

A number of questions vital to any comprehensive and intelligent study of lapsation were raised by Mr. Holcombe. He said that his office had been asked these questions and he had been unable to locate statistics which could adequately answer them. He said that they are important and should be considered by the companies in future statistical work. He asked what relation existed between lapsation and the turnover of agents. Does the agent who stays only a brief time in an office have a business with a higher lapse rate than the more permanent agent? Does the rate of policy lapse of men who leave one company to go with another show a difference from the lapse of those who stay with one company? Is there a relation between lapsation and the age of agents? Does the lapse rate vary greatly with the age of insured at the time of issue? Is there a heavier lapse rate on drive or campaign business than on regular business? Does the amount of sale affect the lapse rate, whether the policy be below \$5,000 or over \$5,000? Does the method of premium payment affect lapsation? Does the plan of insurance show a variance between different groups? These are the questions which will be studied by the bureau during the coming year and Mr. Holcombe pointed out that every company could profitably direct its attention to these problems for its own company experience.

#### In Agents' Problem

During the discussion which followed Mr. Holcombe's talk, there was a general agreement among the speakers that the greatest effort towards conservation must be made through the agency force. One speaker stated that the home office efforts used in the case of his company had not been productive of noteworthy results nor even enough results to warrant the efforts and expenditure. He said that in the future the work would have to be merely advisory at the home office, with the actual work in the field on the part of the agent. This speaker cautioned home offices against erecting an over-elaborate superstructure in connection with conservation, pointing out that it may be found to be an unprofitable expenditure. Another speaker pointed out that an agency can do more in 10 minutes than a home office can in 10 years and the best results will be secured only when the agents are working wholeheartedly towards conservation. Another speaker said that the salaried men was a waste of effort, home office work is wasted talent and results can be secured only when the companies sell to the agent in the beginning the idea that he is not performing his functions as a life underwriter until he conserves the business which he writes. This speaker pointed out that life insurance companies were the original instigators of the country and the first year's premium should merely be looked upon as a first installment, to be followed up for collection each year by the agent. He said the solution to the lapse problem is to sell properly and watch the business after sold, which narrows the problem down to one of agency selection and training.

#### Fishback to Offer Group Bill

Early reports on insurance legislation proposed at the 1927 session of the Washington legislature have a group life insurance measure as one of the principal insurance features of the session. The group life bill will be sponsored by Commissioner Fishback and it is reported, will be patterned after the New York law.



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